

Federal Register

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- 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

- WHEN: July 23, 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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documents on public inspection is available on 202-275-
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Title 3—

Presidential Determination No. 96-34 of June 26, 1996

The President

Bosnian Compliance on Withdrawal of Foreign Forces and Terminating Intelligence Cooperation with Iran

Memorandum for the Secretary of State

Pursuant to Public Law 104-122, I hereby determine and certify that:

- the Federation of Bosnia and Herzegovina has complied with Article III of Annex 1-A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces; and that

- intelligence cooperation on training, investigations and related activities between Iranian officials and Bosnian officials has been terminated.

You are authorized and directed to report this determination and certification to the appropriate committees of the Congress and to publish it in the Federal Register.



THE WHITE HOUSE,
Washington, June 26, 1996.

Memorandum of Justification

On June 26, 1996, pursuant to Public Law 104-122, the President determined and certified that:

- the Federation of Bosnia and Herzegovina has complied with Article III of Annex 1-A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces; and that

- intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has been terminated.

The President reached this determination on the basis of all available information. We have also received explicit assurances from the Bosnian Government that foreign forces have been withdrawn and that the intelligence and military relationship with Iran has ended.

With respect to foreign forces, while some individuals have assimilated into Bosnian society and assumed civilian roles, there is no evidence of any remaining organized military units of Mujahedin or other foreign forces in Bosnia. With respect to the Iranians, the Bosnian government has assured that all IRGC personnel we identified to them have left Bosnia. We have no evidence that those IRGC remain. The Bosnian government has also assured us that none of the Iranians can be brought back to Bosnia without its knowledge and that, should any of them return, they would be expelled.

Although we have insisted that the Bosnian government end bilateral intelligence cooperation in such operational areas as training and investigations, and end all military ties, we have never demanded that all Iranian nationals depart Bosnia or that Bosnia terminate diplomatic or economic relations with Tehran. The Bosnian government has moved to end the operational

military and intelligence relationship with Iran. It has removed from positions of authority key officials that were heavily engaged in intelligence cooperation with Iran, including the former head of the Bosnian intelligence agency.

We will continue to monitor compliance and will work with the Bosnian Government through a Joint Commission established in Sarajevo to resolve future allegations of non-compliance.

[FR Doc. 96-17728

Filed 7-10-96; 8:45 am]

Billing code 4710-10-M

Presidential Documents

Presidential Determination No. 96-35 of June 26, 1996

Determination Under Section 2(b)(2)(D) of the Export-Import Bank Act of 1945, as Amended: People's Republic of China

Memorandum for the Secretary of State

Pursuant to section 2(b)(2)(D) of the Export-Import Bank Act of 1945, as amended, I determine that it is in the national interest for the Export-Import Bank of the United States to extend a loan in the amount of approximately \$260,000,000 to the People's Republic of China in connection with the purchase of U.S. equipment and services for the Nantong II coal-fired power plant in Jiangsu Province.

You are authorized and directed to report this determination to the Congress and publish it in the Federal Register.



THE WHITE HOUSE,
Washington, June 26, 1996.

[FR Doc. 96-17729
Filed 7-10-96; 8:45 am]
Billing code 4710-10-M

Rules and Regulations

Federal Register

Vol. 61, No. 134

Thursday, July 11, 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 DEFENSE

Department of the Navy

32 CFR Part 706

Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972; Amendment

AGENCY: Department of the Navy, DOD.

ACTION: Final rule; Correction.

SUMMARY: Referring to page 50101 of September 28, 1995, paragraph 3 of the Department of the Navy's submission is amended by striking the following language: "Table Five of 706.2 is amended by adding the following vessel;" and substituting therefor: "Table Five of 706.2 is amended by substituting the following information for that contained in the entry for USS MITSCHER."

EFFECTIVE DATE: September 13, 1995.

FOR FURTHER INFORMATION CONTACT: Commander K.P. McMahon, (703) 325-9744.

Dated: June 21, 1996.

M.W. Kerns,

LT, JAGC, U.S. Navy, Acting Deputy Assistant Judge Advocate General (Admiralty).

[FR Doc. 96-17499 Filed 7-10-96; 8:45 am]

BILLING CODE 3810-FF-M

PANAMA CANAL COMMISSION

35 CFR Parts 61 and 123

RIN 3207-AA34 and RIN 3207-AA35

Technical Amendments

AGENCY: Panama Canal Commission.

ACTION: Final rule.

SUMMARY: The Panama Canal Commission hereby amends its regulations in title 35, Code of Federal Regulations, part 61, to add a new

paragraph to section 61.155 which eliminates the requirement for disinfecting vessels under certain conditions as set out by the World Health Organization (WHO). The Commission is also amending 35 CFR, part 123, paragraph (a) of section 123.4, by substituting the words "in meters" for "in feet and inches", thereby conforming to the policy of utilizing the metric measurement scales wherever possible.

EFFECTIVE DATE: July 11, 1996.

FOR FURTHER INFORMATION CONTACT:

Captain George T. Hull, Director, Marine Bureau, Panama Canal Commission, telephone in Balboa, Republic of Panama, 011/507-272-4500, or Barbara Fuller, Assistant to the Secretary for Commission Affairs, Office of the Secretary, Panama Canal Commission, 1825 I Street NW, Suite 1050, Washington, DC 20006-5402; Telephone: (202) 634-6441; Facsimile: (202) 634-6439.

SUPPLEMENTARY INFORMATION: The Panama Canal Commission hereby amends 35 CFR Part 61 in accordance with the World Health Organization (WHO) guidelines. These guidelines require the owner of a vessel transiting the Panama Canal to assist in eliminating the spread of yellow fever throughout the world by disinfecting (disinsecting) his vessel whenever the level of *Aedes aegypti* mosquitos in the Republic of Panama is below the WHO critical infestation level of less than one percent (expressed as WHO index level 1.0). The change eliminates the requirement for such disinsecting when the index of *Aedes aegypti* mosquitos in Panama is higher than 1.0.

The Commission is also amending its regulations in part 123, to substitute "in meters" for "in feet and inches" in order to replace existing information required of vessel customers, which conforms to the policy of using metric measurement scales.

The Commission is proceeding with the issuance of a final rule instead of a proposed rule with a request for comments because the change to part 61 eliminates a requirement for transiting the Canal and the change to part 123 is a technical amendment.

The Commission has been exempted from Executive Order 12866 and, accordingly, the provisions of that directive do not apply to this final rule. Even if the Order were applicable, its

implementation would not have a significant economic impact on a substantial number of small entities as defined under that Act.

Further, the agency has determined that implementation of the rule will have no adverse effect on competition, employment, investment, productivity, innovation, or on the ability of the United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Because a notice of proposed rulemaking and opportunity for public comment are not required to be given for this final rule by the Administrative Procedure Act (5 U.S.C. 553) or by any other law, under sections 603(a) and 604(a) of the Regulatory Flexibility Act (5 U.S.C. 601), no initial or final regulatory flexibility analysis has to be or will be prepared.

Finally, the Administrator of the Panama Canal Commission certifies these changes in regulations meet the applicable standards provided in sections 3(a) and 3(b)(2) of Executive Order No 12988.

List of Subjects

35 CFR Part 61

Communicable Diseases, Public health.

35 CFR Part 123

Radio, Vessels.

Accordingly, 35 CFR Parts 61 and 123 are amended as follows:

PART 61—HEALTH, SANITATION AND COMMUNICABLE DISEASE SURVEILLANCE

1. The authority citation for part 61 continues to read as follows:

Authority: Issued under authority vested in the President by section 1701, Pub. L. 96-70, 93 Stat. 492; EO 12173, 44 FR 69271.

2. Section 61.155 is amended by adding a new paragraph (e) as follows:

§ 61.155 Vessels; yellow fever.

* * * * *

(e) The disinfecting required under paragraph (a) of this section shall be required when the index of *Aedes aegypti* in Panama exceeds the 1.0 index level established by the World Health Organization (WHO).

PART 123—RADIO COMMUNICATION

3. The authority for part 123 continues to read as follows:

Authority: Issued under authority of the President by 22 U.S.C. 3811; EO 12215, 45 FR 36043.

4. The "CHARLIE" paragraph following Paragraph (a) of § 123.4 is revised to read as follows:

§ 123.4 Advance notification required by radio from vessels approaching the Canal.

(a) * * * CHARLIE—Estimated draft upon arrival, and estimated transit draft if scheduled to work cargo or take bunker prior to transiting, in meters, fore and aft, in Tropical Fresh Water.

* * * * *

Dated: June 27, 1996.

Gilberto Guardia F.,
Administrator, Panama Canal Commission.
[FR Doc. 96-17662 Filed 7-10-96; 8:45 am]
BILLING CODE 3640-04-P

POSTAL SERVICE**39 CFR Parts 5, 7, 10****Board of Governors Bylaws**

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Board of Governors of the United States Postal Service has approved amendments to its bylaws. First, the bylaw provisions concerning procedures of committees of the Board has been amended to conform the conditions under which the Government in the Sunshine Act is invoked to the definition of covered "meeting" under that Act. Second, the Board has revised its rules of conduct to delete provisions superseded by the Standards of Ethical Conduct for Employees of the Executive Branch issued by the Office of Government Ethics and by the Postal Service regulations supplemental to the Standards. Conforming changes are made to the remaining ethics provisions.

EFFECTIVE DATE: July 11, 1996.

FOR FURTHER INFORMATION CONTACT: Thomas J. Koerber, (202) 268-4800.

SUPPLEMENTARY INFORMATION:**A. Committee Procedures**

In practice, the Board of Governors has used its committees for a means of in-depth, informal exchange with management on matters of ongoing concern to the Board. It has not considered that sessions of this type are covered by the provisions of the

Government in the Sunshine Act, regarding notice and open meetings. The provisions of that Act apply to "the deliberations of at least the number of individual agency members required to take action on behalf of the agency where such deliberations determine or result in the joint conduct or disposition of official agency business" (5 U.S.C. 552b(a)(2)). The Board's bylaw concerning Public Observation (part 7) generally incorporates this language from the Sunshine Act in full (39 CFR 7.1(b)).

Bylaw provisions on committee procedures, in 39 CFR 5.2, currently refer to formal actions by committees—such as recommendations, preliminary decisions, and hearings—in a manner which reaches outside the terms of the Sunshine Act regarding when a committee session will be subject to the Board's Public Observation rules under part 7. Since the Board has intended that the Public Observation rules will apply strictly as provided in the Sunshine Act, some of this bylaw language may be subject to misinterpretation. Accordingly, this language is deleted from 39 CFR 5.2, and conforming changes are made in 39 CFR 7.1(a).

The Board's committees continue to be subject to the Public Observation procedures under part 7, only to the extent that a particular session should constitute a "meeting" within the meaning of the Government in the Sunshine Act, 5 U.S.C. 552b(a)(2), and section 7(b) of the bylaws.

B. Rules of Conduct**Background**

On August 7, 1992, the Office of Government Ethics (OGE) published new Standards of Ethical Conduct for Employees of the Executive Branch (Standards), now codified at 5 CFR part 2635. See 57 FR 35006-35067 (August 7, 1992) as corrected at 57 FR 48557 (October 27, 1992) and 57 FR 52583 (November 4, 1992), with additional grace-period extensions at 59 FR 4779-4780 (February 2, 1994) and 60 FR 6390-6391 (February 2, 1995). The Standards, which became effective February 3, 1993, set uniform ethical conduct standards applicable to all executive branch personnel. The Standards superseded most federal agency regulations promulgated under subparts A, B, and C of former 5 CFR part 735.

On September 11, 1995, the Postal Service, with the concurrence of OGE and pursuant to 5 CFR 2635.105, published regulations applicable to Postal Service employees to supplement

the Standards. See 60 FR 47240-47241, September 11, 1995. The supplemental regulations, to be codified at 5 CFR part 7001, prohibit certain outside employment or activities, and require prior approval for employees to engage in other specified outside employment or activities.

Discussion**I. General**

The principal purpose of the revisions to part 10 is to repeal outdated provisions of the Code of Ethical Conduct for Postal Service Governors (Code), which have been superseded by the new Standards of Ethical Conduct for Employees of the Executive Branch (5 CFR part 2635) and Postal Service regulations supplemental thereto (5 CFR part 7001). The Governors of the Postal Service are special Government employees within the meaning of 18 U.S.C. 202(a). Special Government employees are subject to the Standards of Ethical Conduct for Employees of the Executive Branch, and agency regulations supplemental thereto (5 CFR 2635.102(h)). Therefore, the Governors are subject to the regulations in 5 CFR parts 2635 and 7001.

Some provisions of 39 CFR part 10 are retained in amended form to conform to the Ethics Reform Act of 1989. The retained provisions concern advisory service, restrictions on post-employment activities, and the filing of financial disclosure reports.

II. Revision of the Heading of 39 CFR Part 10

The heading of 39 CFR part 10, "Code of Ethical Conduct for Postal Employees [Appendix]," is being revised to "Rules of Conduct for Postal Service Governors [Appendix]." This revision is intended to make clear that the rules of conduct in 39 CFR part 10, as amended, are not part of the ethical standards contained in 5 CFR part 2635 and regulations supplemental thereto.

III. Repeal of Financial Interest Prohibitions

The provisions of the Code that prohibited the holding of specified financial interests, 39 CFR 10.22(a) through (e), and those provisions of 39 CFR 10.23 that involved compensated outside employment relationships, remained temporarily in effect pursuant to the note following 5 CFR 2635.403(a), as extended at 59 FR 4779-4780, February 2, 1994, and 60 FR 6390-6391, February 2, 1995. The note following 5 CFR 2635.403(a) provides that such prohibitions shall cease to be effective upon the issuance of agency

supplemental regulations. On September 11, 1995, the Postal Service issued supplemental regulations. See 60 FR 47240-47241, September 11, 1995. Therefore, the provisions of 39 CFR part 10 concerning prohibited financial interests or compensated outside employment relationships are superseded and repealed. The supplemental regulations prohibit certain outside employment, and they require prior approval for certain outside employment. The supplemental regulations do not, however, specify financial interests the holding of which is prohibited.

IV. Analysis of Subparts

This amendment will repeal large portions of 39 CFR part 10, and the amended part will contain only four sections. Accordingly, part 10 no longer will be divided into subparts. This amendment will affect the regulations in subparts A through D of 39 CFR part 10 as follows.

Subpart A—Basic Purpose and Applicability

Subpart A included explanations of the applicability of 39 CFR part 10 and general standards of ethical conduct applicable to Postal Service Governors. All sections of subpart A have been superseded by 5 CFR part 2635. Section 10.11 has been renumbered as section 10.1 and revised to explain that, in addition to the rules retained in 39 CFR part 10, Governors are subject to the rules contained in 5 CFR parts 2635 and 7001.

Subpart B—Standards of Conduct

Subpart B contained general standards of conduct, rules concerning prohibited financial interests, rules concerning outside employment, rules concerning the acceptance of gifts, and other rules of conduct applicable to Postal Service Governors. All sections of subpart B are repealed because they have been superseded by 5 CFR parts 2635 and 7001.

Subpart C—Ethical Conduct Advisory Services and Remedial Action

Subpart C included procedures by which Postal Service Governors may obtain advice concerning standards of ethical conduct, and a regulation concerning post-employment restrictions imposed under 18 U.S.C. 207. Regulations concerning advisory services are retained in amended form in revised section 10.2. Under 5 CFR 2635.107, agencies are responsible for providing counseling to their employees with regard to the application of 5 CFR part 2635 and regulations supplemental

thereto. Revised section 10.2 pertains solely to the Postal Service's internal implementation of requirements imposed by OGE regulations, and it is revised to conform to the OGE regulations.

Regulations concerning post-employment restrictions are retained in amended form in a new section 10.3. New section 10.3 notifies Governors that they are subject to the restrictions imposed under 18 U.S.C. 207.

Subpart D—Reports of Employment and Financial Interests

Subpart D included regulations concerning the filing and review of financial disclosure reports. These regulations are retained in amended form in new section 10.4.

As a result of this amendment, 39 CFR Part 10 will be reorganized as follows:

PART 10—RULES OF CONDUCT FOR POSTAL SERVICE GOVERNORS (APPENDIX)

- Sec.
- 10.1 Applicability.
 - 10.2 Advisory service.
 - 10.3 Post-employment activities.
 - 10.4 Financial disclosure reports.

List of Subjects

39 CFR Part 5

Administrative practice and procedure, Advisory committees, Organization and functions (Government agencies), Sunshine Act.

39 CFR Part 7

Sunshine Act.

39 CFR Part 10

Conflict of interests.

For the reasons set forth above, 39 CFR Chapter I, Subchapter A, is amended as follows:

PART 5—COMMITTEES (ARTICLE V)

1. The authority citation for part 5 is revised to read as follows:

Authority: 39 U.S.C. 202, 203, 204, 205, 401(2), (10), 1003, 3013.

2. Section 5.2 is revised to read as follows:

§ 5.2 Committee procedure.

Each committee establishes its own rules of procedure, consistent with these bylaws, and meets as provided in its rules. A majority of the members of a committee constitute a quorum.

PART 7—PUBLIC OBSERVATION (ARTICLE VII)

3. The authority citation for part 7 continues to read as follows:

Authority: 39 U.S.C. 401(a), as enacted by Pub. L. 91-375, and 5 U.S.C. 552b (a)-(m) as enacted by Pub. L. 94-409.

4. Section 7.1 is amended by republishing the introductory text and by revising paragraph(a) to read as follows:

§ 7.1 Definitions.

For purposes of §§ 7.2 through 7.8 of these bylaws:

(a) The term *Board* means the Board of Governors, and any subdivision or committee of the Board authorized to take action on behalf of the Board.

* * * * *

PART 10—RULES OF CONDUCT FOR POSTAL SERVICE GOVERNORS (APPENDIX)

5. The authority citation for part 10 is revised to read as follows:

Authority: 39 U.S.C. 401.

6. The heading of part 10 is revised as set forth above.

6a. The table of contents for part 10 is revised to read as follows:

- Sec.
- 10.1 Applicability.
 - 10.2 Advisory service.
 - 10.3 Post-employment activities.
 - 10.4 Financial disclosure reports.

7. Subparts A through D headings are removed.

§ 10.11 [Redesignated as § 10.1]

8. Section 10.11 is redesignated as § 10.1 and revised to read as follows:

§ 10.1 Applicability.

This part contains rules of conduct for the members of the Board of Governors of the United States Postal Service. As special employees within the meaning of 18 U.S.C. 202(a), the members of the Board are also subject to the Standards of Ethical Conduct for Employees of the Executive Branch, 5 CFR part 2635, and Postal Service regulations supplemental thereto, 5 CFR part 7001.

§ 10.31 [Redesignated as § 10.2]

9. Section 10.31 is redesignated as § 10.2 and revised to read as follows:

§ 10.2 Advisory service.

(a) The General Counsel is the Ethical Conduct Officer of the Postal Service and the Designated Agency Ethics Official for purposes of the Ethics in Government Act, as amended, and the implementing regulations of the Office of Government Ethics, including 5 CFR part 2638.

(b) A Governor may obtain advice and guidance on questions of conflicts of interest, and may request any ruling provided for by either the Standards of Ethical Conduct for Employees of the Executive Branch, or the Postal Service regulations supplemental thereto, from

the General Counsel or a designated assistant.

(c) If the General Counsel determines that a Governor is engaged in activity which involves a violation of federal statute or regulation, including the ethical conduct regulations contained in 5 CFR parts 2635 and 7001, or conduct which creates the appearance of such a violation, he or she shall bring this to the attention of the Governor or shall notify the Chairman of the Board of Governors, or the Vice Chairman, as appropriate.

10. A new section 10.3 is added to read as follows:

§ 10.3 Post-employment activities.

Governors are subject to the restrictions on the post-employment activities of special Government employees imposed by 18 U.S.C. 207. Guidance concerning post-employment restrictions applicable to Governors may be obtained in accordance with § 10.2(b).

§ 10.12 [Removed]

10a. Section 10.12 is removed.

§ 10.21 [Removed]

11. Section 10.21 is removed.

§ 10.22 [Removed]

12. Section 10.22 is removed.

§ 10.23 [Removed]

13. Section 10.23 is removed.

§ 10.24 [Removed]

14. Section 10.24 is removed.

§ 10.32 [Removed]

15–16. Section 10.32 is removed.

§ 10.41 [Redesignated as § 10.4]

17. Section 10.41 is redesignated as § 10.4, and is amended by revising paragraphs (a) and (e)(2) to read as follows:

§ 10.4 Financial disclosure reports.

(a) *Requirement of submission of reports.* At the time of their nomination, Governors complete a financial disclosure report which, under the practice of the Senate Governmental Affairs Committee, is kept confidential. Because the Director of the Office of Government Ethics has ruled that Governors who do not perform the duties of their office for more than 60 days in any calendar year are not required to file financial disclosure reports that are open to the public, Governors file non-public reports annually, in accordance with this section. A Governor who performs the duties of his or her office for more than 60 days in a particular calendar year is

required to file a public report in accordance with 5 CFR 2634.204(c).

* * * * *

(e) * * *

(2) Confidentiality of reports. Unless a public report is required by this section, the financial disclosure reports filed by Governors shall not be made public.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 96–17114 Filed 7–10–96; 8:45 am]

BILLING CODE 7710–12–P

39 CFR Part 20

Implementation of International Package Consignment Service

AGENCY: Postal Service.

ACTION: Amendment to interim rule with request for comments.

SUMMARY: International Package Consignment Service (IPCS) is an international mail service designed for companies sending merchandise to addresses in other countries. The service is currently available to Japan, Canada, and the United Kingdom (U.K.). To use IPCS, a customer is required to mail at least 25,000 packages a year to Japan, at least 25,000 packages a year to Canada, or at least 10,000 packages a year to the U.K. This amendment provides an option for IPCS customers who meet the minimum mailing requirements to any one IPCS country of destination to enter additional packages for delivery in any other IPCS country of destination at reduced volume thresholds, specifically, 5,000 packages per year.

Therefore, an existing IPCS customer who satisfies the minimum volume criteria for one destination country, has linked its information systems with the Postal Service's, and who has established transportation with the Postal Service may send additional packages to other IPCS destination countries by signing a service agreement for that destination country that commits the customer to mail at least 5,000 packages a year to other IPCS destinations of the customer's choosing. Under this option, the customer has greater flexibility to respond more easily to the market conditions in which he is competing for overseas business while allowing the Postal Service to develop a traffic base that contributes to greater economies of scale. The interim implementing regulations have been amended and are set forth below for comment and suggested revision prior to adoption in final form.

DATES: The amended regulations take effect July 11, 1996. Comments must be received on or before July 25, 1996.

ADDRESSES: Written comments should be mailed or delivered to International Package Consignment Service, U.S. Postal Service, 475 L'Enfant Plaza SW, Room EB4400, Washington, DC 20260–6500. Copies of all written comments will be available for public inspection and photocopying at the above address between 9 a.m. and 4 p.m., Monday through Friday, after July 25, 1996.

FOR FURTHER INFORMATION CONTACT: Tim Gribben at the above address. Telephone: (202) 268–3035.

SUPPLEMENTARY INFORMATION:

International Package Consignment Service (IPCS) is designed to more closely meet the needs of customers who send merchandise packages from the United States to multiple international addresses by simplifying the process companies use to prepare their packages for mailing and by reducing the costs those companies incur in mailing merchandise to other countries.

IPCS benefits all users of the Postal Service because revenues collected contribute to fixed costs, thereby decreasing the total revenue that the Postal Service needs to recover from other services. At the same time, IPCS makes it easier and more economical for customers in the United States to export their products to international markets.

Once a customer qualifies for IPCS into Japan, Canada, or the U.K. and has started mailing into one of these destination countries, then the minimum volume requirement for entry into any other country is reduced to 5,000 packages a year. To be considered qualified, customers must meet the following criteria: satisfy the minimum volume requirement for an IPCS destination country, have its information systems linked with the Postal Service's, and have transportation in place between the customer and the Postal Service. The customer must still enter into a separate service agreement for each IPCS destination country to which it wants to use IPCS, and designate the Postal Service as their carrier of choice to that IPCS destination country.

Accordingly, the Postal Service hereby amends IPCS to allow qualified customers to satisfy lower minimum volumes when entering into IPCS service agreements to additional destination countries. Although 39 U.S.C. 407 does not require advance notice and opportunity for submission of comments, and the Postal Service is exempted by 39 U.S.C. 410(a) from the

advance notice requirements of the Administrative Procedure Act regarding proposed rulemaking (5 U.S.C. 553), the Postal Service invites interested persons to submit written data, views, or arguments concerning this interim rule.

The Postal Service adopts the following amendments to the International Mail Manual, which is incorporated by reference in the Code of Federal Regulations. See 39 CFR 20.1.

List of Subjects in 39 CFR Part 20

Foreign relations, Postal service.

PART 20—[AMENDED]

1. The authority citation for 39 CFR part 20 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 401, 404, 407, 408.

Subchapter 620—Amended

2. Subchapter 620 of the International Mail Manual, Issue 16, is amended as follows:

6 Special Programs

* * * * *

620 *International Package Consignment Service*

* * * * *

622 *Qualifying Customers*

To qualify, a customer must enter into a service agreement containing the commitments stipulated in 625.2 and must be able to meet the general and destination country-specific preparation requirements stipulated in 620 and the Individual Country Listings.

Once a customer qualifies for IPCS and has started mailing into a destination country, then the minimum volume requirement for entry into any other country is reduced to 5,000 packages a year. To be considered qualified, customers must meet the following criteria: satisfy the minimum volume requirement for their destination country, have its information systems linked with the Postal Service's; and have transportation in place between the customer and the Postal Service. The customer must still enter into a separate service agreement for each destination country to which it wants to use IPCS and designate the Postal Service as its carrier of choice to that destination country.

* * * * *

625 *IPCS Service Agreements*

* * * * *

625.2 *Required Provisions*

Each service agreement must contain the following:

a. The customer's commitment to send at least 25,000 packages to Japan or Canada (or 10,000 to the United Kingdom) by IPCS during the next 12 months. However, once a customer enters into an IPCS agreement to one destination country and begins mailing, then that customer may enter other destination countries by committing to mail at least 5,000 packages to the other destination countries. A customer's failure to meet the original volume requirements may result in termination, by the Postal Service, of the right to mail to other destination countries.

* * * * *

Stanley F. Mires,
Chief Counsel, Legislative.
[FR Doc. 96-17600 Filed 7-10-96; 8:45 am]
BILLING CODE 7710-12-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 157-0010; AD-FRL-5524-2]

Approval and Promulgation of Implementation Plan for Monterey Bay Unified Air Pollution Control District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The EPA is promulgating approval of the new source review (NSR) program submitted by the Monterey Bay Unified Air Pollution Control District (MBUAPCD) for the purpose of meeting the nonattainment and prevention of significant deterioration (PSD) NSR requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). The intended effect of this rulemaking is to regulate air pollution in accordance with the Act. Thus, EPA is finalizing the approval of these revisions into the California state implementation plan (SIP) under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas.

EFFECTIVE DATE: August 12, 1996.

ADDRESSES: Copies of MBUAPCD's submittals and other supporting information used in developing this final approval are available for inspection during normal business hours at the following location: U.S. EPA, Region IX, Air & Toxics Division (A-5-1), 75 Hawthorne Street, San Francisco, CA 94105.

FOR FURTHER INFORMATION CONTACT: Steve Ringer at (415) 744-1260.

SUPPLEMENTARY INFORMATION:

Background and Purpose

The air quality planning requirements for nonattainment NSR are set out in Part D of Title I of the Act, with implementing regulations at 40 CFR 51.160 through 51.165. The air quality planning requirements for PSD are set out in Part C of Title I of the Act, with implementing regulations at 40 CFR 51.166. On August 10, 1995, MBUAPCD submitted its NSR rules to EPA as a proposed revision to the SIP. On April 22, 1996, EPA proposed to approve with contingencies, and to disapprove in the alternative, the submitted SIP revisions. See 61 FR 17675. Full approval as a final action was contingent upon MBUAPCD making required changes to the submitted rules. EPA requested public comments on the proposed approval and received none. MBUAPCD has since submitted to EPA, revised NSR rules which contain the required changes. EPA is therefore promulgating final approval of the revised rules. The specific changes that MBUAPCD made to its rules are detailed below.

The MBUAPCD Governing Board held a public hearing on March 20, 1996 to entertain public comment on its revised NSR rules. The Board adopted the rules on the same date and the rules were submitted by the State to EPA on May 10, 1996 as a revision to the SIP. The SIP revision was reviewed by EPA and determined to be complete on May 22, 1996.

In its April 22, 1996 proposed approval, EPA identified two deficiencies in MBUAPCD's August 10, 1995 submittal which had to be corrected as a condition of full approval. At that time, MBUAPCD had proposed draft rules which corrected the deficiencies. EPA's technical support document (TSD) for the April 22, 1996 proposed approval contains a discussion of how MBUAPCD's proposed draft rules would correct the deficiencies, as well as how they would meet the general NSR requirements of the Act. MBUAPCD's May 10, 1996 submittal is substantially similar to the draft rules upon which EPA based its proposed approval. Below is a discussion of the portions of MBUAPCD's May 10, 1996 submittal which correct the deficiencies identified by EPA.

Corrected Deficiencies

Rule 207, Section 4.2.9: In its April 22, 1996 proposed approval, EPA specified that this section must be revised to require "that any emission reduction required as a precondition of the issuance of a permit shall be made

federally enforceable prior to permit issuance". Accordingly, MBUAPCD modified this section of its rules such that the May 10, 1996 submittal contains the following language: "All emission reductions must be identified and enforceable prior to issuance of the Authority to Construct." This language satisfies EPA's requirement.

Rule 207, Section 4.3.3.2: EPA specified that this section must be revised to require "that emission reductions obtained from another nonattainment area may be used only if (A) the other area has an equal or higher nonattainment classification than the area in which the source is located, and (B) emissions from such other area contribute to a violation of the national ambient air quality standard in the nonattainment area in which the source is located." Accordingly, MBUAPCD's May 10, 1996 submittal contains a new section 4.3.3.2.2 with the following language: "The offsets may only be obtained from an upwind area that has been designated by EPA to have a nonattainment status equal to or more serious than the North Central Coast air basin." and a new section 4.3.3.2.3 with the following language: "The offsets may only be obtained from an upwind area that could contribute to violations of the national ambient air quality standards in the North Central air basin." This language satisfies EPA's requirement.

Final Action and Implications

EPA is promulgating final approval of MBUAPCD's NSR program as submitted on May 10, 1996. This submittal consists of MBUAPCD's Rules 207 (Review of New and Modified Sources) and 215 (Banking of Emission Reductions)

EPA did not receive any comments on the changes detailed above that were necessary to make MBUAPCD's program fully approvable. The scope of this approval applies to all new or modified sources (as defined in the program) within the Monterey Bay Unified Air Pollution Control District.

Administrative Review

Copies of MBUAPCD's submittal and other information relied upon for this final approval are contained in docket number NSRR 2-96 MBUAPCD, at the EPA Regional Office. The docket is an organized and complete file of all the information submitted to, or otherwise considered by, EPA in development of this final approval. The docket is available for public inspection at the location listed under the ADDRESSES section of this document.

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

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

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

The Office of Management and Budget has exempted this rule from the requirements of section 6 of Executive Order 12866.

Unfunded Mandates

Under Section 202 of the Unfunded Mandates Reform Act of 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a federal mandate that may result in estimated costs to state, local, or tribal governments in the aggregate; or to the private sector, of \$100 million or more. EPA has determined that the approval proposed in this notice does not include such a federal mandate, as this proposed federal action would approve pre-existing requirements under state or local law, and would impose no new federal requirements. Accordingly, no additional costs to state, local, or tribal governments, or to the private sector, will result from this action.

List of Subjects in 40 CFR Part 52

Air pollution control, Hydrocarbons, Incorporation by reference, Intergovernmental relations, New source review, Nitrogen dioxide, Prevention of significant deterioration, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: May 31, 1996.

Felicia Marcus,
Regional Administrator.

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

PART 52—[AMENDED]

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

Authority: 42 U.S.C. 7401-7671q.

Subpart F—California

2. Section 52.220 is amended by adding paragraph (c)(231) to read as follows:

§ 52.220 Identification of plan.

* * * * *

(c) * * *

(231) New and amended regulations for the following APCDs were submitted on May 10, 1996, by the Governor's designee.

(i) Incorporation by reference.

(A) Monterey Bay Unified APCD.

(I) Rules 207 and 215, adopted on March 20, 1996.

* * * * *

[FR Doc. 96-17643 Filed 7-10-96; 8:45 am]

BILLING CODE 6560-50-P

40 CFR Part 52

[TN-167-9627a; FRL-5529-3]

Control Strategy: Ozone (O₃); Tennessee

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is approving an exemption request from the oxides of nitrogen (NO_x) reasonably available control technology (RACT) and conformity requirements of the Clean Air Act as amended in 1990 (CAA) for the five county Middle Tennessee (Nashville) moderate ozone (O₃) nonattainment area. The request for a NO_x RACT and conformity exemption was submitted on March 21, 1995, by the State of Tennessee through the Tennessee Department of Environment and Conservation (TDEC). The exemption request is based upon the

most recent three years of monitoring data, which demonstrate that additional reductions of NO_x would not contribute to attainment of the National Ambient Air Quality Standards (NAAQS).

DATES: This final rule is effective September 9, 1996 unless adverse or critical comments are received by August 12, 1996. If the effective date is delayed, timely notice will be published in the Federal Register.

ADDRESSES: Written comments should be addressed to: William Denman; Stationary Source Planning Unit; Regulatory Planning and Development Section; Air Programs Branch; Air, Pesticides, and Toxics Management Division; U.S. Environmental Protection Agency, Region 4; 345 Courtland Street NE, Atlanta, Georgia 30365.

A copy of the exemption request is available for inspection at the following locations (it is recommended that you contact William Denman at (404) 347-3555 extension 4208 before visiting the Region 4 office).

United States Environmental Protection Agency; Air, Pesticides, and Toxics Management Division; Air Programs Branch; Regulatory Planning and Development Section; Stationary Source Planning Unit; 345 Courtland Street NE; Atlanta, Georgia 30365.
Tennessee Department of Environment and Conservation, Division of Air Pollution Control, L & C Annex, 9th Floor, 401 Church Street, Nashville, Tennessee 37243-1531, 615/532-0554.

FOR FURTHER INFORMATION CONTACT: William Denman; Stationary Source Planning Unit; Regulatory Planning and Development Section; Air Programs Branch; Air Pesticides and Toxics Management Division; U.S. Environmental Protection Agency; 345 Courtland Street NE, Atlanta, Georgia 30365. Reference file TN-167-9627a.

SUPPLEMENTARY INFORMATION: The air quality planning requirements for the reduction of NO_x emissions are set out in section 182(f) of the CAA, which requires states with nonattainment areas of moderate and above to require the same provisions for major stationary sources of NO_x as apply to major stationary sources of volatile organic compounds (VOCs). One of the requirements of major sources of VOCs is RACT. Therefore, per section 182 of the CAA, RACT is also a requirement for major sources of NO_x. However, under section 182(f)(1)(A) of the CAA, an exemption from the NO_x requirement may be granted for nonattainment areas outside an ozone transport region if additional reductions of NO_x would not contribute to attainment. The NO_x

RACT exemption request is based upon the most recent three years of monitoring data, which demonstrate that additional reductions of NO_x would not contribute to attainment of the NAAQS.

The criteria established for the evaluation of a NO_x RACT exemption request from the section 182(f) requirements are set forth in an EPA memorandum from John S. Seitz, Director, Office of Air Quality Planning and Standards, dated May 27, 1994, entitled, "Section 182(f) Nitrogen Oxides (NO_x) Exemptions—Revised Process and Criteria;" an EPA memorandum from John S. Seitz, Director, Office of Air Quality Planning and Standards, dated December 16, 1993, entitled, "Guideline for Determining the Applicability of Nitrogen Oxide Requirements Under Section 182(f)," dated December 16, 1993; and an EPA memorandum from John S. Seitz, Director, Office of Air Quality Planning and Standards, dated February 8, 1995, entitled, "Section 182(f) Nitrogen Oxides (NO_x) Exemptions—Revised Process and Criteria." The February 8, 1995, memorandum referenced above decouples the section 182(f) exemptions from NO_x transport issues. In an area that did not implement the section 182(f) NO_x requirements, but did attain the O₃ standard as demonstrated by ambient air monitoring data (consistent with 40 CFR Part 58 and recorded in the EPA's Aerometric Information Retrieval system (AIRS)), it is clear that the additional NO_x reductions required by section 182(f) would not contribute to attainment of the NAAQS in that area.

On November 14, 1994, the State of Tennessee submitted to EPA Region 4 a request to redesignate the Middle Tennessee (Nashville) moderate O₃ nonattainment area to attainment. The redesignation request is currently under review and will be addressed in a separate rulemaking. On March 21, 1995, the State of Tennessee requested an exemption from the NO_x RACT and NO_x conformity requirements in section 182(f) of the CAA for the Middle Tennessee ozone nonattainment area. The exemption request is based upon ambient air monitoring data from 1992, 1993, and 1994. The five county Middle Tennessee nonattainment area was determined to have attained the National Ambient Air Quality Standard (NAAQS) for ozone in the Federal Register on August 8, 1995, (60 FR 40291) in accordance with EPA guidance issued on May 10, 1995, and has continued to monitor attainment to date. This guidance relieved certain nonattainment areas with "clean air

data" from some CAA requirements. Therefore, this area is meeting the O₃ NAAQS standard in the entire five county Middle Tennessee area for the relevant three year period. Because the Middle Tennessee area is meeting the O₃ NAAQS, this exemption request for the area meets the applicable requirements contained in the EPA policy and guidance documents referenced above.

However, some NO_x reductions were either obtained prior to the area attaining the ozone standard or have been determined to be necessary for maintenance. Specifically, those reductions obtained prior to attaining the standard were from major source tangentially-fired coal burning boilers subject to Tennessee's rule for the regulation of nitrogen oxides (1200-3-27-.03(1)(b)). The NO_x reductions necessary for maintenance are from two natural gas pumping stations located in the nonattainment area.

Tennessee submitted its chapter for regulating nitrogen oxides (1200-3-27) in submittals to EPA dated June 14, 1993, and May 26, 1994, and revised the submittals on July 29, 1994, and February 23, 1996. Tennessee held a public hearing for the operating permits issued for the two natural gas pumping stations on April 29, 1996. These two sources must be controlled to demonstrate maintenance. The Tennessee Air Pollution Control Board (TAPCB) met to take action on these permits on May 9-10, 1996. After approval by the TAPCB, the permits will be officially submitted to EPA. EPA will act on the NO_x controls which obtained emission reductions prior to the area attaining the standard and those necessary for maintaining the ozone standard either prior to or concurrently with the ozone redesignation request. The approval of this exemption does not exempt sources from any State Implementation Plan (SIP) approved NO_x control requirements.

Until this area is designated attainment, the continuation of the section 182(f) exemption granted herein is contingent upon continued monitoring and continued maintenance of the O₃ NAAQS in the entire Middle Tennessee nonattainment area. If there is a violation of the O₃ NAAQS in any portion of the Middle Tennessee nonattainment area, the exemption will no longer be applicable as of the date of any such determination. Should this occur, EPA will provide notice in the Federal Register. A determination that the NO_x exemption no longer applies would mean that the NO_x RACT requirement is immediately applicable to the affected area and the exemption

from NO_x conformity is no longer valid. EPA believes some reasonable period of notice is necessary to provide major stationary sources subject to the RACT requirement time to purchase, install, and operate any required controls. Accordingly, the State may provide sources a reasonable time period to meet the RACT emission limits after the EPA determination that NO_x RACT requirement is necessary. EPA expects the time period to be as expeditious as practicable, but in no case longer than 24 months. The approval of this exemption from federal NO_x requirements in no way exempts sources from any NO_x controls required by the State.

This approval of the State of Tennessee's request for an exemption from the NO_x RACT requirement of the CAA as amended in 1990 is being acted on as a direct final rule making without a prior proposal for approval because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. The National Resources Defense Council (NRDC), Sierra Defense Club, and Environmental Defense Fund (EDF) submitted adverse comments to Mary Nichols on August 24, 1994, regarding all Federal Register notices proposing to approve section 182(f) NO_x exemption requests. The EPA responded to the adverse comments as set forth below.

NRDC Comment 1: Certain commenters argued that NO_x exemptions are provided for in two separate parts of the CAA, section 182(b)(1) and section 182(f). Because the NO_x exemption tests in subsections 182(b)(1) and 182(f)(1) include language indicating that action on such requests should take place "when [EPA] approves a plan or plan revision," these commenters conclude that all NO_x exemption determinations by the EPA, including exemption actions taken under the petition process established by subsection 182(f)(3), must occur during consideration of an approvable attainment or maintenance plan, unless the area has been redesignated as attainment. These commenters also argue that even if the petition procedures of subsection 182(f)(3) may be used to relieve areas of certain NO_x requirements, exemptions from the NO_x conformity requirements must follow the process provided in subsection 182(b)(1), since this is the only provision explicitly referenced by section 176(c), the CAA's conformity provisions.

EPA Response: Section 182(f) contains very few details regarding the administrative procedure for acting on NO_x exemption requests. The absence

of specific guidelines by Congress leaves EPA with discretion to establish reasonable procedures, consistent with the requirements of the Administrative Procedure Act (APA).

The EPA disagrees with the commenters regarding the process for considering exemption requests under section 182(f), and instead believes that subsections 182(f)(1) and 182(f)(3) provide independent procedures by which the EPA may act on NO_x exemption requests. The language in subsection 182(f)(1), which indicates that the EPA should act on NO_x exemptions in conjunction with action on a plan or plan revision, does not appear in subsection 182(f)(3). And, while subsection 182(f)(3) references subsection 182(f)(1), the EPA believes that this reference encompasses only the substantive tests in paragraph (1) [and, by extension, paragraph (2)], not the procedural requirement that the EPA act on exemptions only when acting on SIPs. Additionally, paragraph (3) provides that "person[s]" (which section 302(e) of the CAA defines to include States) may petition for NO_x exemptions "at any time," and requires the EPA to make its determination within six months of the petition's submission. These key differences lead EPA to believe that Congress intended the exemption petition process of paragraph (3) to be distinct and more expeditious than the longer plan revision process intended under paragraph (1).

Section 182(f)(1) appears to contemplate that exemption requests submitted under these paragraphs are limited to States, since States are the entities authorized under the Act to submit plans or plan revisions. By contrast, section 182(f)(3) provides that "person[s]" may petition for a NO_x determination "at any time" after the ozone precursor study required under section 185B of the Act is finalized, and gives EPA a limit of 6 months after filing to grant or deny such petitions. Since individuals may submit petitions under paragraph (3) "at any time" this must include times when there is no plan revision from the State pending at EPA. The specific time frame for EPA action established in paragraph (3) is substantially shorter than the time frame usually required for States to develop and for EPA to take action on revisions to a SIP. These differences strongly suggest that Congress intended the process for acting on personal petitions to be distinct—and more expeditious—from the plan-revision process intended under paragraph (1). Thus, EPA believes that paragraph (3)'s reference to paragraph (1) encompasses only the

substantive tests in paragraph (1) [and, by extension, paragraph (2)], not the requirement in paragraph (1) for EPA to grant exemptions only when acting on plan revisions.

With respect to major stationary sources, section 182(f) requires States to adopt NO_x NSR and RACT rules, unless exempted. These rules were generally due to be submitted to EPA by November 15, 1992. Thus, in order to avoid the CAA sanctions, areas seeking a NO_x exemption would need to submit their exemption request for EPA review and rulemaking action several months before November 15, 1992. In contrast, the CAA specifies that the attainment demonstrations are not due until November 1993 or 1994 (and EPA may take 12–18 months to approve or disapprove the demonstration). For marginal ozone nonattainment areas (subject to NO_x NSR), no attainment demonstration is called for in the CAA. For maintenance plans, the CAA does not specify a deadline for submittal of maintenance demonstrations. Clearly, the CAA envisions the submittal of and EPA action on exemption requests, in some cases, prior to submittal of attainment or maintenance demonstrations.

The CAA requires conformity with regard to federally-supported NO_x generating activities in relevant nonattainment and maintenance areas. However, EPA's conformity rules explicitly provide that these NO_x requirements would not apply if EPA grants an exemption under section 182(f). In response to the comment that section 182(b)(1) should be the appropriate vehicle for dealing with exemptions from the NO_x requirements of the conformity rule, EPA notes that this issue has previously been raised in a formal petition for reconsideration of EPA's final transportation conformity rule and in litigation pending before the U.S. Court of Appeals for the District of Columbia Circuit on the substance of both the transportation and general conformity rules. The issue, thus, is under consideration within EPA, but at this time remains unresolved. Additionally, subsection 182(f)(3) requires that NO_x exemption petition determinations be made by the EPA within six months. The EPA has stated in previous guidance that it intends to meet this statutory deadline as long as doing so is consistent with the Administrative Procedure Act. The EPA, therefore, believes that until a resolution of this issue is achieved, the applicable rules governing this issue are those that appear in EPA's final conformity regulations, and EPA remains bound by their existing terms.

NRDC Comment 2: Three years of "clean" data fail to demonstrate that NO_x reductions would not contribute to attainment. EPA's policy erroneously equates the absence of a violation for one three-year period with "attainment."

EPA Response: The EPA has separate criteria for determining if an area should be redesignated to attainment under section 107 of the CAA. The section 107 criteria are more comprehensive than the CAA requires with respect to NO_x exemptions under section 182(f).

Under section 182(f)(1)(A), an exemption from the NO_x requirements may be granted for nonattainment areas outside an ozone transport region if EPA determines that "additional reductions of [NO_x] would not contribute to attainment" of the ozone NAAQS in those areas. In some cases, an ozone nonattainment area might attain the ozone standard, as demonstrated by 3 years of adequate monitoring data, without having implemented the section 182(f) NO_x provisions over that 3-year period. The EPA believes that, in cases where a nonattainment area is demonstrating attainment with 3 consecutive years of air quality monitoring data without having implemented the section 182(f) NO_x provisions, it is clear that the section 182(f) test is met since "additional reductions of [NO_x] would not contribute to attainment" of the NAAQS in that area. The EPA's approval of the exemption, if warranted, would be granted on a contingent basis (i.e., the exemption would last for only as long as the area's monitoring data continue to demonstrate attainment).

NRDC Comment 3: The CAA does not authorize any waiver of the NO_x reduction requirements until conclusive evidence exists that such reductions are counter-productive.

EPA Response: EPA does not agree with this comment since it ignores Congressional intent as evidenced by the plain language of section 182(f), the structure of the Title I ozone subpart as a whole, and relevant legislative history. By contrast, in developing and implementing its NO_x exemption policies, EPA has sought an approach that reasonably accords with that intent. Section 182(f), in addition to imposing control requirements on major stationary sources of NO_x similar to those that apply for such sources of VOC, also provides for an exemption (or limitation) from application of these requirements if, under one of several tests, EPA determines that in certain areas NO_x reductions would generally not be beneficial. In subsection 182(f)(1), Congress explicitly

conditioned action on NO_x exemptions on the results of an ozone precursor study required under section 185B. Because of the possibility that reducing NO_x in a particular area may either not contribute to ozone attainment or may cause the ozone problem to worsen, Congress included attenuating language, not just in section 182(f) but throughout the Title I ozone subpart, to avoid requiring NO_x reductions where it would be nonbeneficial or counterproductive. In describing these various ozone provisions (including section 182(f), the House Conference Committee Report states in pertinent part: "[T]he Committee included a separate NO_x/VOC study provision in section [185B] to serve as the basis for the various findings contemplated in the NO_x provisions. The Committee does not intend NO_x reduction for reduction's sake, but rather as a measure scaled to the value of NO_x reductions for achieving attainment in the particular ozone nonattainment area." H.R. Rep. No. 490, 101st Cong., 2d Sess. 257-258 (1990). As noted in response to an earlier comment by these same commenters, the command in subsection 182(f)(1) that EPA "shall consider" the 185B report taken together with the time frame the Act provides both for completion of the report and for acting on NO_x exemption petitions clearly demonstrate that Congress believed the information in the completed section 185B report would provide a sufficient basis for EPA to act on NO_x exemption requests, even absent the additional information that would be included in affected areas' attainment or maintenance demonstrations. However, while there is no specific requirement in the Act that EPA actions granting NO_x exemption requests must await "conclusive evidence," as the commenters argue, there is also nothing in the Act to prevent EPA from revisiting an approved NO_x exemption if warranted due to better ambient information.

In addition, the EPA believes (as described in EPA's December 1993 guidance) that section 182(f)(1) of the CAA provides that the new NO_x requirements shall not apply (or may be limited to the extent necessary to avoid excess reductions) if the Administrator determines that *any one* of the following tests is met:

- (1) in any area, the net air quality benefits are greater in the absence of NO_x reductions from the sources concerned;
- (2) in nonattainment areas not within an ozone transport region, additional NO_x reductions would not contribute to ozone attainment in the area; or

(3) in nonattainment areas within an ozone transport region, additional NO_x reductions would not produce net ozone air quality benefits in the transport region.

Based on the plain language of section 182(f), EPA believes that each test provides an independent basis for receiving a full or limited NO_x exemption. Only the first test listed above is based on a showing that NO_x reductions are "counter-productive." If one of the tests is met (even if another test is failed), the section 182(f) NO_x requirements would not apply or, under the excess reductions provision, a portion of these requirements would not apply.

Pollution Probe (Ontario 9-27-94)

Air Quality Comment: Several commenters stated that the air quality monitoring data alone does not support this exemption proposal. The air quality levels are below EPA's definition of an exceedance of the ozone NAAQS at 0.125 ppm, but are greater than the ozone NAAQS of 0.120 ppm.

EPA Response: For the reasons provided below, EPA does not agree with the commenter's conclusion. As stated in 40 CFR 50.9, the ozone "standard is attained when the expected number of days per calendar year with maximum hourly average concentrations above 0.12 parts per million (235 ug/m³) is equal to or less than 1, as determined by Appendix H." Appendix H references EPA's "Guideline for Interpretation of Ozone Air Quality Standards" (EPA-450/4-79-003, January 1979), which notes that the stated level of the standard is taken as defining the number of significant figures to be used in comparison with the standard. For example, a standard level of 0.12 ppm means that measurements are to be rounded to two decimal places (0.005 rounds up to 0.01). Thus, 0.125 ppm is the smallest concentration value in excess of the level of the ozone standard.

The transportation conformity rule states that its NO_x provisions do not apply when the Administrator has determined under section 182(f) of the Clean Air Act that "additional reductions of NO_x would not contribute to attainment." On June 17, 1994, EPA published in the Federal Register the general preamble for exemption from nitrogen oxide provisions (59 FR 31238). It was clarified in this notice that guidance for transportation conformity is intended to also apply with respect to general conformity. In accordance with this guidance, once EPA grants the NO_x transportation conformity exemption, the area is

relieved of the transportation conformity rule's requirements for regional analysis of NO_x emissions. However, once the maintenance plan for the middle Tennessee ozone nonattainment area is approved, any previously approved NO_x conformity exemption no longer applies. The area must then demonstrate as part of its conformity determinations that the transportation plan and Transportation Improvement Plan (TIP) are consistent with the motor vehicle emissions budget for NO_x where such a budget is established by the maintenance plan.

Final Action

The EPA is approving Tennessee's request to exempt the Middle Tennessee moderate O₃ nonattainment area from the section 182(f) NO_x RACT and NO_x conformity requirements without a prior proposal for approval because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. This approval is based upon the evidence provided by Tennessee showing compliance with the requirements outlined in the CAA and in applicable EPA guidance. If a violation of the O₃ NAAQS occurs in any portion of the Middle Tennessee area while the area is designated nonattainment, the exemption from the NO_x RACT and NO_x conformity requirements of section 182(f) of the CAA in the applicable area shall no longer apply.

This action is not a SIP revision and is not subject to the requirements of section 110 of the CAA. The authority to approve or disapprove exemptions from NO_x requirements under section 182 of the CAA was delegated to the Regional Administrator from the Administrator in a memo dated July 6, 1994, from Jonathan Cannon, Assistant Administrator, to the Administrator, titled, "Proposed Delegation of Authority: 'Exemptions from Nitrogen Oxide Requirements Under Clean Air Act section 182(f) and Related Provisions of the Transportation and General Conformity Rules' Decision Memorandum." In a separate document in this Federal Register publication, the EPA is proposing to approve the request should adverse or critical comments be filed. This action will be effective September 9, 1996 unless, by August 12, 1996, adverse or critical comments are received.

If the EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule

based on the separate proposed rule. The EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective September 9, 1996.

Under section 307(b)(1) of the Clean Air Act (CAA), 42 U.S.C. 7607(b)(1), petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by September 9, 1996. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2) of the CAA, 42 U.S.C. 7607(b)(2).)

Under the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. sections 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000. This rule approves an exemption from a CAA requirement. Therefore, I certify that it does not have a significant impact on any small entities affected.

Unfunded Mandates

Under Sections 202, 203, and 205 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must undertake various actions in association with proposed or final rules that include a Federal mandate that may result in estimated costs of \$100 million or more to the private sector, or to State, local, or tribal governments in the aggregate.

Through submission of this state implementation plan or plan revision, the State and any affected local or tribal governments have elected to adopt the program provided for under Section 182 of the CAA. These rules may bind State, local and tribal governments to perform certain actions and also require the private sector to perform certain duties. EPA has examined whether the rules being approved by this action will impose any new requirements. Since such sources are already subject to these

regulations under State law, no new requirements are imposed by this approval. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action, and therefore there will be no significant impact on a substantial number of small entities.

List of Subjects in 40 CFR Part 52

Air pollution control, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements.

Dated: June 18, 1996.

A. Stanley Meiburg,

Acting Regional Administrator.

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

PART 52—[AMENDED]

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

Authority: 42 U.S.C. 7401–7671q.

Subpart RR—Tennessee

2. Section 52.2237 is added to read as follows:

§ 52.2237 NO_x RACT and NO_x conformity exemption.

Approval—EPA is approving the section 182(f) oxides of nitrogen (NO_x) reasonably available control technology (RACT) and NO_x conformity exemption request submitted by the Tennessee Department of Environment and Conservation on March 21, 1995, for the five county middle Tennessee (Nashville) ozone moderate nonattainment area. This approval exempts the area from implementing federal NO_x RACT on major sources of NO_x and exempts Tennessee from NO_x conformity. This approval does not exempt sources from any State required or State Implementation Plan (SIP) approved NO_x controls. If a violation of the ozone NAAQS occurs in the area, the exemption from the requirement of section 182(f) of the CAA in the applicable area shall not apply.

[FR Doc. 96–17644 Filed 7–10–96; 8:45 am]

BILLING CODE 6560–50–P

40 CFR Part 79

[FRL–5532–4]

Registration of Fuels and Fuel Additives: Minor Changes to the Testing Requirements for Registration

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency ("EPA" or the "Agency") is issuing, as a direct final rule, minor changes to the health-effects testing requirements at 40 CFR Part 79, Subpart F. These requirements deal with the exposure of animals to evaporate and exhaust emissions from motor vehicles. The changes allow for increased flexibility in engine selection, correct an inconsistency with respect to mixing chamber quality assurance, establish clearer exposure timing requirements, provide a necessary option for the units in which emissions data are reported for heavy-duty vehicle engines, clarify oxygen purity requirements, make some minor syntax changes, clarify the handling of the measurements of background chemical species in the ambient air used by the engine generating emissions, clarify the driving schedules, clarify the exposure concentration requirements in the inhalation chamber, clarify dilution system requirements, and clarify the requirements for the collection of particulates and semi-volatiles. These changes will reduce the testing costs without affecting the environmental objectives. This action is being taken without prior notice because EPA believes that the minor changes in the testing requirements will be noncontroversial.

The rule implementing the testing requirements was finalized on May 27, 1994 (59 FR 33042, June 27, 1994). The test data will be used by the Agency to determine if the emissions of certain gasolines and/or diesel fuels present an unacceptable risk to public health. For additional background information see the procedure in this issue of the Federal Register proposing changes to the registration regulations. The changes in this direct final rule have also been incorporated into that notice of proposed rulemaking. If an adverse comment or a request for a public hearing is received on this direct final rule, EPA will withdraw the direct final rule and address the comment(s) in a subsequent final rule based on the proposed rule.

DATES: This action will be effective on August 26, 1996 unless EPA receives an adverse comment or a request for a public hearing by August 12, 1996. If EPA receives an adverse comment or hearing request by that date, EPA will withdraw this action via a document in the Federal Register. All correspondence should be directed to the addresses below.

ADDRESSES: Materials relevant to this rulemaking have been placed in Docket A-90-07. The docket is located at the

U.S. Environmental Protection Agency, Air Docket Section (LE-131), 401 M Street, S.W., Washington, DC 20460 in Room M-1500 of Waterside Mall. Documents may be inspected between the hours of 8:00 a.m. and 5:30 p.m., Monday through Friday. A reasonable fee may be charged for copying. Those wishing to notify EPA of their intent to submit an adverse comment or request a public hearing should contact Joseph Fernandes (202) 233-9756 or Jim Caldwell (202) 233-9303 at the EPA.

FOR FURTHER INFORMATION CONTACT: Joseph Fernandes (202) 233-9756 or Jim Caldwell (202) 233-9303, USEPA, Office of Mobile Sources, Fuels and Energy Division, Mail Code 6406J, 401 M Street, S.W., Washington, DC 20460.

SUPPLEMENTARY INFORMATION:

I. Regulated Entities

Regulated categories and entities potentially affected by this action include:

Category	Examples of regulated entities
Industry	Manufacturers of gasoline and diesel fuel. Manufacturers of additives for gasoline and diesel fuel.

This table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be regulated by this action. This table lists the types of entities that EPA is now aware could be potentially regulated by this action. Other types of entities not listed in the table could also be regulated. To determine whether your entity would be regulated by this action, you should carefully examine this preamble and the proposed changes to the regulatory text. You should also carefully examine the existing provisions of the registration program at 40 CFR part 79.

II. Background

For program background, see the notice in this issue of the Federal Register proposing non-minor changes to the registration regulations for fuels and fuel additives (F/FA). The changes to the testing requirements in this direct final rule are minor and noncontroversial.

III. Requirements for New Vehicles/Engines

To ensure that the tests conducted on the emissions of one F/FA are not affected by "carryover" emissions from other F/FAs previously used in the test

vehicle, § 79.57 of the registration regulations requires that a new vehicle or engine be used in the testing of each F/FA. The regulations also recommend that one or more identical new vehicles or engines be acquired as backup emission generators for each F/FA.

The regulated industry has commented to EPA that this requirement is burdensome, expensive, and unnecessary. They argue that suitable conditioning procedures can satisfactorily "flush out" the remnants of one F/FA and its emissions, so that the same vehicle or engine can be used in testing another F/FA without fear of carryover effects. If this were permitted, a substantially smaller fleet of initial test vehicles/engines might suffice for a given series of F/FAs. Also, a relatively small number of additional vehicles could be acquired to serve as shared backups for the testing of more than one F/FA.

A previous technical communication¹ discussed in detail the possibility of short-term and long-term carryover effects due to test vehicles/engines being used for multiple F/FAs. It also described the restrictions and procedural safeguards which could be adopted to minimize potential carryover problems. Based on that earlier discussion, EPA believes it is now appropriate to ease some of the restrictions on test vehicle use in some circumstances.

Under this revision, the requirement that only new vehicles be used in the test program (specified in § 79.57(a)(1)) has been retained, since it would not be possible to know how, and with what range of F/FA products, a vehicle had been operated in general use. However, it is now acceptable for a single test vehicle or engine to be used sequentially by different F/FA manufacturers for tests on different F/FAs, assuming that adequate documentation is furnished to demonstrate that the test vehicle/engine had not been used for purposes other than testing under this program and that such previous testing was restricted to F/FA types (see below) for which such test vehicle sharing was allowed. The responsibility for assuring the adequacy of such documentation falls to the fuel manufacturer who secondarily acquires the test vehicle.

As discussed in the previously-cited technical memorandum, concerns about possible long-term carryover effects arise primarily in regard to "atypical"

¹ 1. Memo to Docket A-90-07 from James D. Greaves, "A Preconditioning Cycle for Potential Use in the Fuels and Fuel Additives Registration Program," 1992 (Docket Item II-B-8).

elements. Consistent with that discussion, EPA believes that the current prohibition against using test vehicles/engines for more than one F/FA should be retained in the case of atypical F/FAs. However, in the case of F/FAs which belong to the same fuel family (as defined in § 79.56(e)(1)) and which contain no elements other than carbon, hydrogen, oxygen, nitrogen, and sulfur, EPA believes that long-term carryover effects are of minimal concern, and thus believes that it is acceptable to permit test vehicles to be used for more than one such F/FA. Thus, for example, a given test vehicle/engine could be used in testing base gasoline and one or more nonbaseline gasoline formulations. A vehicle that had been used for baseline and/or nonbaseline gasoline testing may be used in testing one a typical F/FA formulation, but may not subsequently be used for additional baseline/nonbaseline F/FA testing nor for testing of other atypical F/FAs.

To prevent short-term carryover effects, a preconditioning procedure is required to "flush out" the remnants of a previously tested F/FA and its emissions from a vehicle's fuel system, engine, exhaust system, and emission control system, before that vehicle is used in the testing of another F/FA. A suitable "intermediate preconditioning cycle" was described in the technical memorandum cited previously, and EPA has adopted this cycle, to prevent short-term carryover effects between tested F/FAs. Section 79.52(b)(2) is revised accordingly.

IV. Mixing Chamber Quality Assurance

The method specified in the F/FA program regulations for generating combustion emissions to be used in biological testing (§ 79.57(e)(2)) requires a mixing chamber or other apparatus to smooth out the variability in emission concentrations related to transient-cycle operations. As a quality assurance mechanism, § 79.57(e)(2)(iii)(C) states that this apparatus "must function such that the average concentration of total hydrocarbons leaving the apparatus shall be within 10 percent of the average concentration of hydrocarbons entering the chamber." EPA has noted that this language is inconsistent with § 79.57(e)(2)(iv)(C), which allows intentional dilution of the exhaust stream to occur "in the mixing chamber (and/or after leaving the chamber) to achieve the desired biological exposure concentrations."

To correct this inconsistency, the language in § 79.57(e)(2)(iii)(C) is changed to account for intentional exhaust dilution. Specifically, the

following phrase has been added to the end of the provision cited above: "* * *, taking into account any further intentional dilution occurring in the apparatus pursuant to paragraph (e)(2)(iv)(C) of this section."

V. Exposure Interruptions

Section 79.57(e)(2)(vii) of the regulations specifies how long biological exposures may be interrupted without voiding a test-in-progress. EPA has received feedback from the regulated industry that the language in this section is confusing and that, furthermore, it is inconsistent with customary laboratory practices. EPA agrees with this criticism and has revised the cited section, substituting new exposure time requirements.

Specifically, EPA has incorporated into the regulations the following minimum requirements: (1) A daily exposure must be at least 6 hours plus the time necessary to build the chamber atmosphere to 90 percent of the target exposure atmosphere; (2) A day in which the minimum exposure time has not been achieved does not count as an exposure day; (3) Exposures must be conducted at least 4 days per week; (4) No more than two non-exposure days may occur consecutively during the exposure period, including weekends and days on which the minimum exposure time has not been met.

These exposure rules purposely do not make allowance for Federal holidays. EPA believes that additional "down" days for holidays could impact the results of the 90-day test periods required under Tier 2, and could interfere with EPA's ability to compare the results with other F/FAs tested during cycles in which holidays did not occur. Furthermore, if a particular health effects test guideline contains exposure requirements that differ from these general rules, then the specific requirements would take precedence. An example is the Fertility and Teratology assessment at § 79.63(c)(1), which requires exposures to pregnant animal subjects each day during the first 15 days of gestation.

Under this change, biological tests which did not achieve exposures consistent with the above rules would be considered void. The same rules would be applied to both evaporative emission and exhaust emission tests. See the revised language at §§ 79.57(f)(3), 79.57(e)(2)(vii) and 79.61(d)(5). A new § 79.63(e)(4)(iii) has been added to emphasize the special exposure requirements of § 79.63(c)(1).

VI. Units for Reporting Emissions Data

Section 79.52(b)(1)(iv) specifies that manufacturers report emissions data in units of grams per mile and weight percent total hydrocarbons. These units are typically used to report emissions data from light-duty vehicles operating on chassis dynamometers, but may be inappropriate for reporting emissions data from other engine/vehicle classes operating on engine dynamometers. As such, the wording of paragraph 79.52(b)(1)(iv) has been changed to specify that F/FA manufacturers should use brake-specific emission values in units of grams per brake-horsepower/hour (gm/BHP-HR) where these units are appropriate to the emissions test configuration and the vehicle/engine being tested.

If brake-specific emissions data are reported, then corresponding changes are needed at several other points in the regulations. Section 79.52(b)(2)(iii)(D) specified that the concentration of individual polyaromatic hydrocarbons (PAHs) and nitrated-polyaromatic hydrocarbons (NPAHs) identified in Tier 1 emissions analyses shall be reported only in units of microgram (μg) per mile, with 0.001 μg per mile as the minimum threshold for identifying and reporting on a particular PAH or NPAH compound. Similarly, § 79.52(b)(2)(iii)(E) specified that the concentration of each polychlorinated dibenzodioxin/polychlorinated dibenzofuran (PCDD/PCDF) identified in the Tier 1 emissions stream shall be reported in units of picograms (pg) per mile, with 0.5 pg per mile or more as the minimum threshold for identifying and reporting on a particular PCDD/PCDF compound.

These sections have been revised to allow reporting of PAH, NPAH, and PCDD/PCDF emissions data in units of grams per BHP-HR, where appropriate. The counterpart to the g/mile reporting threshold for PAH and NPAH compounds, expressed in terms of brake-specific emissions, would be 0.5 nanograms per BHP-HR or more. Likewise, the counterpart to the g/mile reporting threshold for PCDD/PCDF compounds would be 0.3 pg per BHP-HR or more. These counterpart values were derived by applying fleet average conversion factors for converting grams per mile to grams per BHP-HR, specified in EPA Technical Report EPA-AA-SDSB-89-1.

For similar reasons, §§ 79.68 (f)(1) and (f)(5)(vi) of the Salmonella typhimurium reverse mutation assay guidelines have been modified to permit data from this assay to be presented in units of either revertants per kilometer (mile) or

revertants per BHP-HR, whichever is appropriate to the case at hand.

VII. Oxygenate Purity

Section 79.51(i) specifies that a fuel manufacturer who reports the potential use of more than one oxygenating additive in his non-baseline fuel is responsible for testing (or participating in group testing) of a separate fuel formulation for each such oxygenating additive. This provision has caused some concern that the occurrence in an oxygenate additive of unintended oxygenate byproducts of the manufacturing process could multiply the testing responsibilities of a fuel manufacturer. For example, concern has been expressed that the occurrence of a small amount of tertiary-amy-ethyl ether (TAEE) as an unintended byproduct of ethyl-tertiary-butyl ether (ETBE) production will affect the grouping of an ETBE additive and will cause a fuel manufacturer who blends ETBE into his fuel to be responsible for testing TAEE as well as ETBE (see docket item VI-D-10). This was not EPA's intention in promulgating this provision. Section 79.51(i)(4) has been revised to state that small amounts of unintended oxygenate compounds occurring as byproducts of the manufacturing process of an oxygenating additive do not affect the grouping of the affected F/As nor the testing responsibilities of their manufacturers.

E. Minor Syntax Changes and Clarifications

Minor changes to the regulations are also needed to correct some specific syntax errors. The phrase "Within May 27, 1997," occurring at the beginning of both §§ 79.51(c)(1)(ii) (A) and (B), has been changed to "No later than May 27, 1997". Similarly, the phrase "within May 26, 2000," occurring within § 79.51(c)(1)(ii)(B), has been changed to "by May 26, 2000." The language at the beginning of § 79.51(e)(1), which read, "A testing facility, emissions analysis or health and/or welfare effects, shall permit * * *" has been changed to: "A testing facility, whether engaged in emissions analysis or health and/or welfare effects testing under these regulations, shall permit * * *" Some of the wording in §§ 79.57(e)(2)(i), (2)(ii)(B), (3)(i), and (3)(i)(A) has been changed to clarify the driving schedules to be used when operating the vehicle or engine to generate combustion emissions for biological testing. The wording in §§ 79.51(h), (h)(1)(ii), and (h)(1)(ii) (A) and (B) dealing with additives belonging to more than one fuel family, has been

revised to make this provision easier to understand, without changing the substance of the requirements.

VIII. Background Concentrations

Section 79.52(b)(l)(iii) requires that the ambient/dilution air to the engine generating emissions for characterization be analyzed for levels of background chemical species present at the time of emission sampling (for both combustion and evaporative emissions). These background chemical species concentrations are to be reported with emissions speciation data. This information is necessary so that it can be subtracted from the measured combustion and evaporative concentrations in order to determine the contribution for the F/FA. Section 79.52(b)(l)(iii) is revised to clarify this and require that only the corrected values be reported.

IX. Repetitive Driving Schedules

Section 79.57(e)(l)(I) requires the Light-Duty Urban Dynamometer Driving Schedule (UDDS) or the Heavy Duty Engine Dynamometer Schedule (EDS) as per 40 CFR part 86. Both of these driving schedules require cold starts at the beginning of the cycle, and they include extended engine-off times (10 minutes between bags 2 and 3 for light duty and 20 minutes between cold and hot cycles for heavy duty). While the inclusion of cold starts and extended engine-off times are appropriate for the certification of new vehicles and engines, these two requirements pose significant impracticalities from the standpoint of generating combustion emissions for animal exposures.

First, if the UDDS were repeated as per the new vehicle certification procedure, an eight hour animal exposure would require 24 engines sequenced for a cold start every 20 minutes. Second, the engine-off time requirements from the certification procedure typically involve extended periods of zero emissions. If these were incorporated into the Tier 2 biological testing, the later requirements for a "settling chamber" which will dampen out transients to the point that exposure concentrations are held constant within ±10%, would result in the need for a huge settling chamber.

Thus it is appropriate to allow the engine used for animal exposures to be operated over repeated "hot" driving cycles. This would entail repeated Bags 2 and 3 of the UDDS for light-duty vehicles and back-to-back repeats of the heavy-duty transient cycle for heavy-duty engines. Both of these should be run without extended idles or engine-off periods.

Repeated operation of the engine over the hot portions (bags 2 and 3) of the FTP will avoid the extended engine-off periods which do not contribute anything to animal exposure. This would minimize the transients in the species concentrations, and reduce the need for a large settling chamber, without changing the nature of the species present for the animal exposure. A new § 79.57(e)(1)(i)(C) has been added to reflect this.

X. Exposure Concentration

Section 79.57(e)(2)(vi)(B) requires that the mean exposure concentration in the inhalation chamber be within 10 percent of the target concentration on 90 percent or more of the days. This implies that target concentrations must be established for CO, CO₂, NO_x, SO_x, and total HC, and none can vary by more than 10% of the targets on 90% or more of the exposure days. Given the fundamentals of engine combustion and the transient nature of the driving cycles, it is impossible to maintain all combustion emission products at a constant level all of the time. The focus should be on the pollutants which are limiting for the animals in terms of exposure, which is CO for gasoline and NO_x for diesel. The engine operator will only be able to vary the exhaust dilution ratio, and thus control is assured for only one pollutant (CO or NO_x) at a time. Section 79.57(e)(2)(vi)(B) has been revised accordingly.

XI. Dilution System

Section 79.57(e)(2)(I) states that the biological tests are to be performed " * * * using emissions generated from the test vehicle or engine operated in general accordance with the FTP procedures cited in this section." Later in this section (at § 79.57(e)(2)(iii)), the regulations state that "An apparatus to integrate the large concentration swings typical of transient-cycle exhaust is to be used between the FTP-Constant Volume Sampler (CVS) source of emissions and the exposure chamber containing the animal test cages." These statements imply that a CVS is required to be used as a first stage of dilution in the delivery of combustion emissions for animal exposure. However, we have received a comment that the dilution needed for gasoline blends and for diesel fuels will be more than can be accomplished with a CVS. Therefore, the test laboratory should not be required to use a CVS as a first stage of dilution. In fact, it may be most practical to use a constant dilution (rather than volume) sampler to minimize transient concentrations for the animal exposures. Section

§ 79.57(e)(2)(iii) has been revised to allow the use of any dilution system design that achieves the necessary concentration of CO or NO_x (whichever is limiting) and reduces transient concentration exposure.

XII. Collection of Particulates and Semi-volatiles

Section 79.57(e)(1)(ii) states that emissions of particulates and semi-volatiles are to be collected over triplicate FTP tests for light-duty vehicles and analyzed as part of the requirements for the characterization of combustion emissions. However, the regulatory language in § 79.57(e)(1)(iii)(A) further states that "If the mass of particulate emissions or semi-volatile emissions obtained during one driving cycle is not sufficient for characterization, then the driving cycle may be performed again and the extracted fractions combined prior to chemical analysis." The number of driving cycles that "may be performed" is left unclear and potentially conflicts with the triplicate FTP requirements. We have received a comment that the available literature on gasoline blends suggests that the amount of particulate and semi-volatile emissions collected from one FTP test on a light-duty vehicle is extremely minute, if not less than the detection limits afforded by measurement and analytical procedures currently in use. Thus § 79.57(e)(1)(iii)(A) has been revised to clarify that no more than the three FTP tests are required to be performed for the collection of particulate and semi-volatile emissions. And, the test laboratory should focus on the characterization of the limit detection for particulates and semi-volatile emissions.

XIII. Environmental and Economic Impacts

The environmental impacts of today's action are minimal, as discussed above. Additionally, economic impacts are beneficial to affected manufacturers due to the additional flexibility afforded in today's notice. Minimal anti-competitive effects are expected. A regulatory support document which presents EPA's analysis of the cost impacts of the May 1994 rule is available in Public Docket A-90-07 located at Room M-1500, Waterside Mall (ground floor), U.S. Environmental Protection Agency, 401 M St. S.W., Washington, D.C. 20460.

XIV. Regulatory Flexibility Analysis

EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with

this final rule. This rule will reduce regulatory burdens on small businesses by reducing or eliminating the reporting and testing requirements for many small businesses. EPA has determined that this rule will not have a significant adverse economic impact on a substantial number of small businesses.

XV. Administrative Designation

Pursuant to Executive Order 12866 (58 FR 51735 [October 4, 1993]), the Agency must determine whether a regulatory action is "significant" and therefore subject to OMB review and the requirements of the executive order. The order defines "significant regulatory actions as one that is likely to result in a rule that may:

(1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impact of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

Pursuant to the terms of Executive Order 12866, it has been determined that this direct final rule is not a "significant regulatory action". The regulatory revisions in this notice will reduce testing the requirements and costs.

XVI. Paperwork Reduction Act

The Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., and implementing regulations, 5 CFR Part 1320, do not apply to this action as it does not involve the collection of information as defined therein.

XVII. Submission to Congress and the General Accounting Office

Under section 801(a)(1)(A) of the Administrative Procedures Act (APA) as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, EPA submitted report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives and the Comptroller General of the General Accounting Office prior to publication of the rule in today's Federal Register. The rule is not a "major rule" as defined by section 804(2) of the APA as amended.

XVIII. Unfunded Mandates Act

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in expenditure by State, local, and tribal governments, in the aggregate; or by the private sector, of \$100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

The Agency has determined that the action promulgated today does not include a federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This proposed action does not establish regulatory requirements that may significantly or uniquely affect small governments. In fact, this proposed action has the net effect of reducing the burden of the fuel and fuel additive registration program on regulated entities. Therefore, the requirements of the Unfunded Mandates Act do not apply to this action.

XIX. Statutory Authority

The statutory authority for this direct final rule is provided by sections 205 (b) and (c), 211, and 301(a) of the Clean Air Act as amended (42 U.S.C. 7524 (b) and (c), 7545, and 7601(a), Public Law 95-95).

List of Subjects in 40 CFR Part 79

Environmental protection, Fuel, Fuel additive, Gasoline, Motor vehicle pollution, Penalties.

Dated: June 27, 1996.

Carol M. Browner,
Administrator.

For the reasons set forth in the preamble, part 79 of title 40 of the Code of Federal Regulations is amended as follows:

PART 79—[AMENDED]

1. The authority citation for part 79 continues to read as follows:

Authority: 42 U.S.C. 7414, 7524, 7545 and 7601.

2. Section 79.51 is amended by revising paragraphs (c)(1)(ii)(A), (c)(1)(ii)(B), the first sentence of paragraphs (e)(1), (h) introductory text,

(h)(1)(ii); and by adding a new paragraph (i)(4) to read as follows:

§ 79.51 General requirements and provisions.

* * * * *

- (c) * * *
- (1) * * *
- (ii) * * *

(A) No later than May 27, 1997, all applicable Tier 1 and Tier 2 requirements must be submitted to EPA, pursuant to §§ 79.52, 79.53, and 79.59; or

(B) No later than May 27, 1997, all applicable Tier 1 requirements (pursuant to §§ 79.52 and 79.59), plus evidence of a contract with a qualified laboratory (or other suitable arrangement) for completion of all applicable Tier 2 requirements, must be submitted to EPA. For this purpose, a qualified laboratory is one which can demonstrate the capabilities and credentials specified in § 79.53(c)(1). In addition, by May 26, 2000, all applicable Tier 2 requirements (pursuant to §§ 79.53 and 79.59) must be submitted to EPA.

* * * * *

(e) *Inspection of a testing facility.* (1) A testing facility, whether engaged in emissions analysis or health and/or welfare effects testing under the regulations in this subpart, shall permit an authorized employee or duly designated representative of EPA, at reasonable times and in a reasonable manner, to inspect the facility and to inspect (and in the case of records also to copy) all records and specimens required to be maintained regarding studies to which this subpart applies. * * *

* * * * *

(h) *Special Requirements for Additives.* When an additive is the test subject, the following rules apply:

* * * * *

- (1) * * *

(ii) Additives belonging to more than one fuel family.

(A) If an additive product is registered in two or more fuel families as of May 27, 1994, then the manufacturer of that additive is responsible for testing (or participating in group testing of) the respective additive/base fuel mixtures in compliance with the requirements of this subpart for each fuel family in which the manufacturer wishes to maintain a registration for its additive.

(B) If a manufacturer is seeking to register such additive in two or more fuel families then, for testing and registration purposes, the additive shall be considered to be a member of each fuel family in which the manufacturer is

seeking registration. The manufacturer is responsible for testing (or participating in group testing of) the respective additive/base fuel mixture in compliance with the requirements of this subpart for each fuel family in which the manufacturer wishes to obtain a product registration for its additive.

* * * * *

- (i) * * *

(4) The presence in a particular oxygenating additive of small amounts of other unintended oxygenate compounds as byproducts of the manufacturing process of the given oxygenating additive does not affect the grouping of that additive and does not create multiple testing responsibilities for manufacturers who blend that additive into fuel.

* * * * *

3. Section 79.52 is amended by revising paragraphs (b)(1)(iii) and (b)(1)(iv), (b)(2)(iii)(D) introductory text, and (b)(2)(iii)(E) introductory text, to read as follows:

§ 79.52 Tier 1.

* * * * *

- (b) * * *

- (1) * * *

(iii) Measurement of background emissions: It is required that ambient/dilution air be analyzed for levels of background chemical species present at the time of emissions sampling (for both combustion and evaporative emissions) and that sample values be corrected by subtracting the concentrations contributed by the ambient/dilution air. Background chemical species measurement/analysis during the FTP is specified in §§ 86.109–94(c)(5) and 86.135–94 of this chapter.

(iv) Concentrations of emission products shall be reported either in units of grams per mile (g/mi) or grams per brake-horsepower/hour (g/bhp-hr) (for chassis dynamometer and engine dynamometer test configurations, respectively), as well as in units of weight percent of measured total hydrocarbons.

* * * * *

- (2) * * *

- (iii) * * *

(D) The analytical method used to measure species of PAHs and NPAHs should be capable of detecting at least 1 ppm (equivalent to 0.001 microgram (µg) of compound per milligram of organic extract) of these compounds in the extractable organic matter. The concentration of each individual PAH or NPAH compound identified shall be reported in units of microgram per mile or nanograms per brake-horsepower/

hour (for chassis dynamometer and engine dynamometer test configurations, respectively). Each compound which is present at 0.001 µg per mile (0.5 nanograms per brake-horsepower/hour) or more must be identified, measured, and reported. The following individual species shall be measured:

* * * * *

(E) The analytical method used to measure species and classes of PCDD/PCDFs should be capable of detecting at least 1 part per trillion (ppt) (equivalent to 0.001 picogram (pg) of compound per milligram of organic extract) of these compounds in the extractable organic matter. The concentration of each individual PCDD/PCDF compound identified shall be reported in units of picograms (pg) per mile or picograms per brake-horsepower/hour (for chassis dynamometer and engine dynamometer test configurations, respectively). Each compound which is present at 0.5 pg/mile (0.3 pg/bhp-hr) or more must be identified, measured, and reported.

* * * * *

4. Section 79.57 is amended by adding paragraphs (b)(2)(i), (b)(2)(ii), (b)(2)(iii) and (e)(1)(i)(C); and by revising paragraphs (e)(1)(iii)(A), (e)(2)(i), (e)(2)(ii) introductory text, (e)(2)(ii)(B), (e)(2)(iii) introductory text, (e)(2)(iii)(C), (e)(2)(vi)(B), (e)(2)(vii), (e)(3)(i)(A), and (f)(3); and by revising the word “cycle” to read “schedule” in paragraph (e)(3)(i) introductory text; to read as follows:

§ 79.57 Emission generation.

* * * * *

- (b) * * *

- (2) * * *

(i) A vehicle or engine may be used to generate emissions for the testing of more than one fuel or additive, provided that all such fuels and additives belong to the same fuel family pursuant to § 79.56(e)(i), and that, once a vehicle or engine has been used to generate emissions for an atypical fuel or additive (pursuant to § 79.56(e)(2)(iii)), it shall not be used in the testing of any other fuel or additive. Paragraphs (a) (2) and (3) of this section shall apply only to the first fuel or additive tested.

(ii) Prior to being used to generate emissions for testing an additional fuel or additive, a vehicle or engine which has previously been used for testing a different fuel or additive shall undergo an effective intermediate preconditioning cycle to remove the previously used fuel and its emissions from the vehicle’s fuel and exhaust systems and from the combustion emission and evaporative emission control systems, if any.

(iii) Such preconditioning shall include, at a minimum, the following steps:

(A) The canister (if any) shall be removed from the vehicle and purged with 300 °F nitrogen at 20 liters per minute until the incremental weight loss of the canister is less than 1 gram in 30 minutes. This typically takes 3–4 hours and removes 100 to 120 grams of adsorbed gasoline vapors.

(B) The fuel tank shall be drained and filled to capacity with the new test fuel or additive/fuel mixture.

(C) The vehicle or engine shall be operated until at least 95% of the fuel tank capacity is consumed.

(D) The purged canister shall be returned to the vehicle.

(E) The fuel tank shall be drained and filled to 40% capacity with test fuel.

(F) Two-hour fuel tank heat builds from 72–120 °F shall be performed repeatedly as necessary to achieve canister breakthrough. The fuel tank must be drained and filled prior to each heat build.

* * * * *

(e) * * *

(1) * * *

(i) * * *

(C) For Tier 2 testing, the engines shall operate on repeated bags 2 and 3 of the UDDS or back to back repeats of the heavy-duty transient cycle of the EDS.

* * * * *

(iii) * * *

(A) In the case of combustion emissions generated from light-duty vehicles/engines, the samples consist of three bags of vapor emissions (one from each segment of the light-duty exhaust emission cycle) plus one sample of particulate-phase emissions and one sample of semi-volatile-phase emissions (collected over all segments of the exhaust emission cycle). If the mass of particulate emissions or semi-volatile emissions obtained during one driving cycle is not sufficient for characterization, up to three driving cycles may be performed and the extracted fractions combined prior to chemical analysis. Particulate-phase emissions shall not be combined with semi-volatile-phase emissions. The test laboratory should focus on the characterization of the limit of detection for particulates and semi-volatile emissions.

* * * * *

(2) * * * *Generating whole combustion emissions for biological testing.* (i) Biological tests requiring whole combustion emissions shall be conducted using emissions generated from the test vehicle or engine operated

in accordance with general FTP requirements.

(ii) Light-duty test vehicles/engines shall be repeatedly operated over the Urban Dynamometer Driving Schedule (UDDS) (or equivalent engine dynamometer trace, per paragraph (e)(1)(i)(A) of this section) and heavy-duty test engines shall be repeatedly operated over the Engine Dynamometer Schedule (EDS) (see 40 CFR part 86, appendix I).

* * * * *

(B) The UDDS or EDS shall be repeated as many times as required for the biological test session.

* * * * *

(iii) An apparatus to integrate the large concentration swings typical of transient-cycle exhaust is to be used between the source of emissions and the exposure chamber containing the animal test cages(s). The purpose of such apparatus is to decrease the variability of the biological exposure atmosphere and achieve the necessary concentration of CO or NO_x, whichever is limiting.

* * * * *

(C) The mixing chamber (or any alternative emission moderation apparatus) must function such that the average concentration of total hydrocarbons leaving the apparatus shall be within 10 percent of the average concentration of hydrocarbons entering the chamber, taking into account any further intentional dilution occurring in the apparatus pursuant to paragraph (e)(2)(iv)(C) of this section.

* * * * *

(vi) * * *

(B) These procedures include requirements that the mean exposure concentration in the inhalation test chamber shall be within 10 percent of the target concentration for the single species being controlled (establish in the development phase of testing) on 90 percent or more of exposure days and that daily monitoring of CO, CO₂, NO_x, SO_x, and total hydrocarbons in the exposure chamber shall be required. Analysis of the particle size distribution shall also be performed to establish the stability and consistency of particle size distribution in the test exposure.

* * * * *

(vii) To allow for customary laboratory scheduling and unforeseen problems affecting the combustion emission generation or dilution equipment, biological exposures may be interrupted on limited occasions, as specified in § 79.61(d)(5). Interruptions exceeding these limitations shall cause the affected test(s) to be void. Testers shall be aware of concerns for backup

vehicles/engines cited in paragraph (a)(7)(ii) of this section.

* * * * *

(3) * * *

(i) * * *

* * * * *

(A) Particulate emissions shall be collected on particulate filters and extracted from the collection equipment for use in biological tests. The number of repetitions of the applicable driving schedule required to collect sufficient quantities of the particulate emissions will vary, depending on the characteristics of the engine, the test fuel, and the requirements of the biological test protocol. The particulate sample may be collected on one or more filters, as necessary.

* * * * *

(f) * * *

(3) For biological testing, vapor shall be withdrawn from the EEG at a constant rate, diluted with air as required for the particular study, and conducted immediately to the biological testing chamber(s) in a manner similar to the method used in § 79.57(e), excluding the mixing chamber therein. The rate of emission generation shall be high enough to supply the biological exposure chamber with sufficient emissions to allow for a minimum of fifteen air changes per exposure chamber per hour. To allow for customary laboratory scheduling and for unforeseen problems with the evaporative emission generation or dilution equipment, biological exposures may be interrupted on limited occasions, as specified in § 79.61(d)(5). Interruptions exceeding these limitations shall cause the affected test(s) to be void.

* * * * *

5. Section 79.61 is amended by revising paragraph (d)(5) to read as follows:

§ 79.61 Vehicle emissions inhalation exposure guideline.

* * * * *

(d) * * *

* * * * *

(5) *Exposure Conditions.* The preferred exposure regimen consists of exposing the study animals to the test atmosphere on a repeated basis for at least 6 hours per day on a 7-day per week basis for the exposure period. However, unless precluded by the requirements of a particular test protocol, exposures based on a nominal 5-day-per-week regimen will be considered acceptable, subject to the following rules:

(i) Each daily exposure during the exposure period must be at least 6 hours

plus the time necessary to build the chamber atmosphere to 90 percent of the target exposure atmosphere. A day in which this minimum exposure time has not been achieved does not count as an exposure day.

(ii) Nominally, animal exposures should be conducted for six hours per day for five days per week. In no case should the exposures occur less than four days per week for a total of 65±2 exposure days.

(iii) No more than two non-exposure days may occur consecutively during the exposure period, including days on which the minimum exposure time has not been met.

* * * * *

6. Section 79.63 is amended by adding a new paragraph (e)(4)(iii) to read as follows:

§ 79.63 Fertility assessment/teratology.

* * * * *

- (e) * * *
- (4) * * *

(iii) Pregnant females shall be exposed to the test atmosphere on each and every day between (and including) the first and fifteenth day of gestation.

* * * * *

7. Section 79.68 is amended by revising paragraphs (f)(1) and (f)(5)(vi) to read as follows:

§ 79.68 Salmonella typhimurium reverse mutation assay.

* * * * *

(f) *Data and report*—(1) *Treatment of results.* Data shall be presented as number of revertant colonies per plate, revertants per kilogram (or liter) of fuel, and as revertants per kilometer (or mile, or brake-horsepower/hour, as appropriate) for each replicate and dose. These same measures shall be recorded on both the negative and positive control plates. The mean number of revertant colonies per plate, revertants per kilogram (or liter) of fuel, and revertants per kilometer (or mile, or brake-horsepower/hour), as well as individual plate counts and standard deviations shall be presented for the test substance, positive control, and negative control plates.

* * * * *

- (5) * * *

(vi) Individual plate counts, mean number of revertant colonies per plate, number of revertants per kilometer (or mile, or brake-horsepower/hour), and standard deviation; and

* * * * *

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 62

RIN 3067-AC47

National Flood Insurance Program; Allocated Loss Adjustment Expense

AGENCY: Federal Insurance Administration (FEMA).

ACTION: Technical amendment.

SUMMARY: This document amends the interim final rule published on Wednesday, May 15, 1996, 61 FR 24462-24464, FR Doc. 96-12019, which revised the allocated loss adjustment expense fee schedule of the National Flood Insurance Program (NFIP) Write Your Own (WYO) Program under the Financial Assistance/Subsidy Arrangement (the Arrangement). This technical amendment revises the fee schedule of the interim final rule, restoring the previous basis for determining the amount of the flood loss and the resulting fees.

EFFECTIVE DATE: July 11, 1996.

FOR FURTHER INFORMATION CONTACT: Charles M. Plaxico, Jr., Federal Emergency Management Agency, Federal Insurance Administration, 500 C Street SW., Washington, DC 20472, (202) 646-3422.

SUPPLEMENTARY INFORMATION:

Background

On May 15, 1996, the Federal Insurance Administration (FIA) published an interim final rule (FR Doc. 96-12019) that modified the allocated loss adjustment fee schedule of the National Flood Insurance Program (NFIP) Write Your Own Program under the Financial Assistance/Subsidy Arrangement (the Arrangement). That interim final rule added new loss ranges and revised the fees for adjusting claims in the higher ranges under the NFIP. The revised fee schedule also contained footnotes establishing a new basis (replacement cost, not to exceed policy limits, in all cases) for determining the amount of loss.

Before the May 15, 1996 changes, the amount of loss reported and used for determining the allocated loss adjustment fee was either on an actual cash value or a replacement cost basis, depending on how the loss was adjusted. Standard deductibles were applied in all cases. The May 15, 1996 changes required WYO companies to report losses, regardless of how they were adjusted, on a replacement cost basis. This requirement, however, is inconsistent with current systems reporting and recording capabilities.

Need To Correct Publication

A number of WYO companies reported that they could not meet the reporting requirement of the May 15, 1996 interim final rule in a timely manner. In order to meet the reporting requirement, WYO companies need additional time to reprogram their data processing systems. FEMA agrees, and by this amendment reverts to the methods for calculating the amount of loss in effect before the May 15, 1996 interim final rule. The new loss ranges and revised fees for the higher ranges remain the same as in the May 15, 1996 rule.

The basis for determining fees contained in the May 15, 1996 interim final rule will be honored from May 15, 1996 until today, the effective date of this revised interim final rule. FIA will provide separate guidance to WYO companies on how to handle financial reporting from May 15, 1996 until today.

Correction of Publication

Accordingly, Exhibit A, Fee Schedule, of the publication of May 15, 1996, at 61 FR 24463-24464, (FR Doc. 96-12019) is corrected to read as follows:

EXHIBIT A.—FEE SCHEDULE

Range (by covered loss)	Fee
Erroneous Assignment.	\$40.00
Closed Without Payment.	125.00
Minimum for Upton-Jones Claims.	800.00
\$0.01 to \$600.00	150.00
\$600.01 to \$1,000.00	175.00
\$1,000.01 to \$2,000.00.	225.00
\$2,000.01 to \$3,500.00.	275.00
\$3,500.01 to \$5,000.00.	350.00
\$5,000.01 to \$7,000.00.	425.00
\$7,000.01 to \$10,000.00.	500.00
\$10,000.01 to \$15,000.00.	550.00
\$15,000.01 to \$25,000.00.	600.00
\$25,000.01 to \$35,000.00.	675.00
\$35,000.01 to \$50,000.00.	750.00
\$50,000.01 to \$100,000.00.	3.0%
\$100,000.01 to \$250,000.00.	2.3% but not less than \$3,000.
\$250,000.01 and up	2.1% but not less than \$5,750.

Note: Allocated fee schedule entry value is the covered loss under the policy based on the standard deductibles (\$500 and \$500) and limited to the amount of insurance purchased.

(Catalog of Federal Domestic Assistance No. 83.100, "Flood Insurance")

Dated: June 2, 1996.

Harvey G. Ryland,

Deputy Director.

[FR Doc. 96-17668 Filed 7-10-96; 8:45 am]

BILLING CODE 6718-03-P

44 CFR Part 64

[Docket No. FEMA-7644]

Suspension of Community Eligibility

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: This rule identifies communities, where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP), that are suspended on the effective dates listed within this rule because of noncompliance with the floodplain management requirements of the program. If the Federal Emergency Management Agency (FEMA) receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in this rule, the suspension will be withdrawn by publication in the Federal Register.

EFFECTIVE DATES: The effective date of each community's suspension is the third date ("Susp.") listed in the third column of the following tables.

ADDRESSES: If you wish to determine whether a particular community was suspended on the suspension date, contact the appropriate FEMA Regional Office or the NFIP servicing contractor.

FOR FURTHER INFORMATION CONTACT: Robert F. Shea Jr., Division Director, Program Implementation Division, Mitigation Directorate, 500 C Street, SW., Room 417, Washington, DC 20472, (202) 646-3619.

SUPPLEMENTARY INFORMATION: The NFIP enables property owners to purchase flood insurance which is generally not otherwise available. In return, communities agree to adopt and administer local floodplain management aimed at protecting lives and new construction from future flooding. Section 1315 of the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4022, prohibits flood insurance coverage as authorized under the National Flood Insurance Program, 42 U.S.C. 4001 et seq., unless an

appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed in this document no longer meet that statutory requirement for compliance with program regulations, 44 CFR part 59 et seq. Accordingly, the communities will be suspended on the effective date in the third column. As of that date, flood insurance will no longer be available in the community. However, some of these communities may adopt and submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue their eligibility for the sale of insurance. A notice withdrawing the suspension of the communities will be published in the Federal Register.

In addition, the Federal Emergency Management Agency has identified the special flood hazard areas in these communities by publishing a Flood Insurance Rate Map (FIRM). The date of the FIRM if one has been published, is indicated in the fourth column of the table. No direct Federal financial assistance (except assistance pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act not in connection with a flood) may legally be provided for construction or acquisition of buildings in the identified special flood hazard area of communities not participating in the NFIP and identified for more than a year, on the Federal Emergency Management Agency's initial flood insurance map of the community as having flood-prone areas (section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106(a), as amended). This prohibition against certain types of Federal assistance becomes effective for the communities listed on the date shown in the last column.

The Acting Associate Director finds that notice and public comment under 5 U.S.C. 553(b) are impracticable and unnecessary because communities listed in this final rule have been adequately notified.

Each community receives a 6-month, 90-day, and 30-day notification addressed to the Chief Executive Officer that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. Since these notifications have been made, this final rule may take effect within less than 30 days.

National Environmental Policy Act

This rule is categorically excluded from the requirements of 44 CFR part 10, Environmental Considerations. No environmental impact assessment has been prepared.

Regulatory Flexibility Act

The Acting Associate Director has determined that this rule is exempt from the requirements of the Regulatory Flexibility Act because the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4022, prohibits flood insurance coverage unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed no longer comply with the statutory requirements, and after the effective date, flood insurance will no longer be available in the communities unless they take remedial action.

Regulatory Classification

This final rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

Paperwork Reduction Act

This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 et seq.

Executive Order 12612, Federalism

This rule involves no policies that have federalism implications under Executive Order 12612, Federalism, October 26, 1987, 3 CFR, 1987 Comp., p. 252.

Executive Order 12778, Civil Justice Reform

This rule meets the applicable standards of section 2(b)(2) of Executive Order 12778, October 25, 1991, 56 FR 55195, 3 CFR, 1991 Comp., p. 309.

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

1. The authority citation for part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 et seq.; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

§ 64.6 [Amended]

2. The tables published under the authority of § 64.6 are amended as follows:

State/location	Community No.	Effective date of eligibility	Current effective map date	Date certain federal assistance no longer available in special flood hazard areas
Region II				
New Jersey: Flemington, borough of, Hunterdon County.	340520	September 25, 1975, Emerg.; May 15, 1980, Reg.; July 16, 1996, Susp.	July 16, 1996	July 16, 1996.
Region III				
Pennsylvania: Smithfield, township of, Huntingdon County.	420494	March 9, 1973, Emerg.; March 15, 1977, Reg.; July 16, 1996, Susp.	.....do	Do.
Virginia: Norfolk, independent city	510104	August 15, 1973, Emerg.; August 1, 1979, Reg.; July 16, 1996, Susp.	.....do	Do.
Region V				
Michigan: Cadillac, city of, Wexford County.	260247	June 2, 1975, Emerg.; March 18, 1996, Reg.; July 16, 1996, Susp.	March 18, 1996	Do.
Region VI				
Arkansas: Pulaski County, unincorporated areas.	050179	March 6, 1979, Emerg.; July 16, 1981, Reg.; July 16, 1996, Susp.	July 16, 1996	Do.
New Mexico:				
Bernalillo, town of, Sandoval County	350056	January 17, 1975, Emerg.; Janaury 6, 1983, Reg.; July 16, 1996, Susp.	.....do	Do.
Corrales, village of, Sandoval County.	350094	October 14, 1975, Emerg.; January 6, 1983, Reg.; July 16, 1996, Susp.	.....do	Do.
Jemez Springs, village of, Sandoval County.	350096	April 21, 1976, Emerg.; January 3, 1986, Reg.; July 16, 1996, Susp.	.....do	Do.
Rio Rancho, city of, Sandoval County.	350146	November 14, 1990, Emerg.; April 15, 1992, Reg.; July 16, 1996, Susp.	.....do	Do.
Sandoval County, unincorporated areas.	350055	July 16, 1996, Reg.; July 16, 1996, Susp.	.....do	Do.
Truth or Consequences, city of, Sierra County.	350073	August 27, 1974, Emerg.; January 3, 1986, Reg.; July 16, 1996, Susp.	.....do	Do.
Sierra County, unincorporated areas	350071	March 17, 1976, Emerg.; June 3, 1986, Reg.; July 16, 1996, Susp.	.....do	Do.
Oklahoma:				
Chandler, city of, Lincoln County	400237	March 18, 1975, Emerg.; November 4, 1987, Reg.; July 16, 1996, Susp.	.....do	Do.
Lincoln County, unincorporated areas.	400457	September 28, 1990, Emerg.; February 3, 1993, Reg.; July 16, 1996, Susp.	.....do	Do.
Region VII				
Iowa:				
Clayton County, unincorporated areas.	190858	May 3, 1976, Emerg.; May 1, 1990, Reg.; July 16, 1996, Susp.	.....do	Do.
Elkader, city of, Clayton County	190073	October 3, 1974, Emerg.; September 29, 1978, Reg.; July 16, 1996, Susp.	.....do	Do.
Region VIII				
Utah: Wendover, town of, Tooele County	490222	July 25, 1975, Emerg.; August 19, 1980, Reg.; July 16, 1996, Susp.	.....do	Do.

Code for reading third column: Emerg.- Emergency; Reg.- Regular; Rein.- Reinstatement; Susp.-Suspension.

(Catalog of Federal Domestic Assistance No. 83.100, "Flood Insurance")

Issued: July 2, 1996.

Richard W. Krimm,

Acting Associate Director, Mitigation Directorate.

[FR Doc. 96-17667 Filed 7-10-96; 8:45 am]

BILLING CODE 6718-05-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 61

[CC Docket No. 95-155]

Toll Free Service Access Codes

AGENCY: Federal Communications Commission.

ACTION: Final Rule.

SUMMARY: This final rule clarifies the Report and Order adopted by the Common Carrier Bureau in January 1996, regarding the reservation of 888 numbers corresponding to 800 numbers in which subscribers have asserted a commercial interest. In this decision the

Commission provides procedures to allow the release, into the general pool of toll free numbers, any 888 number currently in the "unavailable" pool for which the 800 subscriber originally requesting special treatment no longer wishes to assert an interest. Database Service Management, Inc. ("DSMI") will make such release of 888 numbers only after collecting the appropriate authorizations from the Responsible Organization ("RespOrg") and the 800 number customer releasing its 888 number reservation. The release of these numbers will allow the new 888 service orders to be more efficiently filled and equitably allotted.

EFFECTIVE DATE: June 25, 1996.

FOR FURTHER INFORMATION CONTACT: Mary DeLuca, (202) 418-2334 Network Services Division, Common Carrier Bureau.

SUPPLEMENTARY INFORMATION: 1. This document is a synopsis of the Commission's letter order (CC Docket 95-155, adopted June 24, 1996, and released June 25, 1996). The letter clarifies provisions in the Bureau's Report and Order In the Matter of Toll Free Service Access Codes (CC Docket 95-155, adopted January 24, 1996, and released January 25, 1996, DA 96-69, 61 FR 7738, February 29, 1996). The file is available for inspection and copying during the weekday hours of 9:00 a.m. to 4:30 p.m. in the Commission's Reference Center, room 239, 1919 M Street, NW., Washington, DC, or copies may be purchased from the Commission's duplicating contractor, ITS, Inc., 2100 M Street, NW., Suite 140, Washington, DC 20037, phone (202) 857-3800.

2. Paperwork Reduction.

The Federal Communications Commission has submitted the foregoing information collection requirement to OMB for review and clearance under the Paperwork Reduction Act of 1995, 44 U.S.C. Section 3507. Persons wishing to comment on this information collection should contact Timothy Fain, Office of Management and Budget, Room 10236, NEOB, Washington, D.C. 20503, (202) 395-0651. For further information, contact Dorothy Conway, Federal Communications Commission, (202) 418-0217.

3. Please note: The Commission has requested emergency review of this collection information request by July 18, 1996, under the provisions of 5 CFR Section 1320.13.

Title: Toll Free Service Access Codes—800/888 Number Release Procedures

OMB Control No.: None.

Action: New Collection.

Respondents: Business or other for-profit entities.

Estimated Annual Burden: 2,010 respondents; 1 hour per response; 2,010 hours total annual burden.

Needs and Uses: The Federal Communications Commission regulates the provision of interstate telecommunications services by common carriers, including common carrier paging systems, pursuant to Sections 1, 4, and 201-229 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, 201-229. One of the common carrier-offered services is toll free service. This is a telephone service that allows charges for

incoming calls to be paid by the called party (*i.e.*, the 800 subscriber), not the caller. Toll free service is used widely today for both business purposes and personal needs because it provides callers with a free and convenient means of contacting parties holding toll free numbers. In a January 1996, Report and Order, the Commission instructed DSMI to mark as "unavailable," in the toll free database, those 888 numbers which corresponding 800 number customers sought to reserve. However, the Commission did not intend to reserve any 888 number in which an 800 number customer later decided that it no longer wanted to assert an interest. Therefore, the Commission authorized DMSI to release such 888 numbers after collecting the appropriate information from the Responsible Organization or Toll Free Service Provider and the 800 number customer releasing its 888 number reservation.

The public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering the information and maintaining the data. There are approximately 2,010 respondents consisting of the 160 telephone service Responsible Organizations and the estimated 1,850 toll free subscribers that may seek to release their interest in 888 numbers. Therefore the estimated annual burden of this information collection requirement is 2,010 hours. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Federal Communications Commission, Records Management Branch, Room 234, Paperwork Reduction Project, Washington, DC 20554 and to the Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503.

Ordering Clauses

Accordingly, *it is ordered* That, pursuant to authority contained in Sections 1, 4, 5, and 201-205 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, 155, and 201-205 and § 0.201(d) of the Commission's rules, 47 CFR 2.201(d) DSMI shall follow the directive in this order.

It is *further ordered* That, DSMI shall immediately distribute this letter to all RespOrgs.

It is *further ordered* That this letter shall be effective upon release.

List of Subjects in 47 CFR Part 61

Communication common carriers.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 96-17602 Filed 7-10-96; 8:45 am]

BILLING CODE 6712-01-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. 93-54, Notice 3]

RIN 2127-AG25

Federal Motor Vehicle Safety Standards; Air Brake Systems; Long-Stroke Brake Chambers

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

ACTION: Final rule, response to petitions for reconsideration.

SUMMARY: In response to petitions for reconsideration, this document amends the reservoir requirements in Standard No. 121, *Air Brake Systems*, for trucks, buses, and trailers equipped with air brakes. The agency believes that the amendments will improve the braking efficiency of such vehicles and reduce the number of brakes found to be out of adjustment during inspections. It will do this by removing a design restriction that tends to discourage the use of long-stroke brake chambers, a technology with potentially significant safety benefits.

DATES: *Effective Date:* The amendments become effective on September 9, 1996.

Petitions for Reconsideration: Any petitions for reconsideration of this rule must be received by NHTSA no later than August 26, 1996.

ADDRESSES: Petitions for reconsideration of this rule should refer to Docket 93-54; Notice 3 and should be submitted to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590.

FOR FURTHER INFORMATION CONTACT:

For non-legal issues: Mr. Richard Carter, Office of Vehicle Safety Standards, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590 (202-366-5274).

For legal issues: Mr. Marvin L. Shaw, NCC-20, Rulemaking Division, Office of Chief Counsel, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590 (202) 366-2992.

SUPPLEMENTARY INFORMATION:

I. Background

Standard No. 121, *Air Brake Systems*, specifies performance requirements applicable to vehicles equipped with air brakes. The Standard also requires air-braked vehicles to be equipped with various types of equipment, including an air compressor and reservoirs. (See section S5.1) The reservoirs store energy, in the form of air at high pressure, that is used to apply a vehicle's brakes. Without such reservoirs, the vehicle's air compressor could not maintain adequate pressure during successive rapid brake applications.

On January 12, 1995, NHTSA issued a final rule amending the reservoir requirements in Standard No. 121 for trucks, buses, and trailers equipped with air brake systems. (60 FR 2892) Prior to that final rule, Standard No. 121 specified a minimum ratio between the volume of the service reservoirs and the volume of the brake chambers. Under the ratio for trucks, the combined volume of all the service and supply reservoirs had to be at least 12 times the combined volume of all the service brake chambers at the maximum travel of the piston. The 1995 final rule amended Standard No. 121 to allow the minimum required air capacity in the service reservoirs to be determined either by the above mentioned ratio (i.e., 12 times the combined volume) or by its "rated volume." The "rated volume" of each brake chamber is determined pursuant to a table of specified values according to the area of the brake diaphragm and the length of the stroke.

In issuing the 1995 final rule, NHTSA sought to encourage the use of brake

chambers with longer strokes. Such brake chambers are commonly known as "long-stroke" chambers, in reference to the longer piston or pushrod travel that they incorporate. Reports¹ by NHTSA and the National Transportation Safety Board (NTSB) indicated that long stroke chambers help improve brake adjustment on heavy vehicles. However, the reports also noted that the previous reservoir ratio requirements would have necessitated much larger reservoirs when long-stroke chambers are used. Thus, while the previous requirements did not prohibit long-stroke chambers, the related requirements for reservoir size significantly discouraged their use.

In the 1995 final rule, NHTSA specified rated volumes of certain brake chambers in Table V "Brake Chamber Rated Volumes" that were larger than the rated volumes proposed in the NPRM. This was done to reflect the largest volumes of standard stroke air brake chambers that are currently available. The agency also modified Table V by specifying upper limits to the stroke lengths for the rated volumes that were listed. The agency believed that it was necessary to specify such limits to preclude manufacturers from extending stroke lengths beyond the point at which adequate air pressure reserves were available to bring a vehicle to a complete stop. The agency also modified Table V by limiting the situations in which a vehicle manufacturer may use the "rated volume" rather than the actual brake chamber volume when determining minimum reservoir volume. Specifically, the final rule specified that rated volume may only be used when the maximum strokes for long stroke chambers are no more than 20 percent

longer than the nominal stroke for standard stroke chambers.

In the 1995 final rule, NHTSA stated that long-stroke chambers provide several benefits, including improved braking efficiency, a reduction in the number of brakes found to be out of adjustment during inspections, and a reduction in the incidence of dragging brakes. The agency further stated that these amendments removed a design restriction that tended to discourage the use of long stroke brake chambers, a technology that it believed could provide significant safety benefits.

II. Petitions for Reconsideration

NHTSA received several petitions for reconsideration that criticized the 1995 final rule, claiming that the rated volumes adopted by the agency would still impede the introduction of long stroke chambers. The petitioners included vehicle manufacturers (Mack Truck, Ford Motor Company, White/GMC-Volvo, Navistar International, and Paccar), brake manufacturers (Midland-Grau and MGM Brakes), the Heavy Duty Brake Manufacturers Council (HDBMC), and the American Trucking Associations (ATA). Midland-Grau, ATA, and Ford stated that the rated volumes for various types of brake chambers were smaller in the final rule than the proposal. As a result, these petitioners stated that long stroke chambers could only be used if vehicles were redesigned to be equipped with much larger reservoirs. As the following table indicates, the petitioners recommended new rated volumes that were less than those in the final rule. All the rated volumes are in terms of cubic inches.

Chamber type	NPRM	Final rule	Midland-Grau	MGM	ATA	HDBMC
Type 9	17	25	.....	25		
Type 12	23	30	.....	30		
Type 14	35	40	.....	40		
Type 16	40	50	46	46	40	46
Type 18	45	55	50	50	.....	50
Type 20	50	60	54	54	50	54
Type 24	61	70	70	70	67	
Type 30	84	95	89	89	84	90
Type 36	121	135	.....	135		

III. NHTSA's Determination

A. General Considerations

After reviewing the available information, NHTSA has decided to revise certain rated volumes in Table V, thereby removing design restrictions

that had continued to discourage the use of long stroke brake chambers. Specifically, the agency has decided to reduce the rated volumes for Type 16 chambers from 50 cubic inches to 46 cubic inches, for Type 18 chambers

from 55 cubic inches to 50 cubic inches, for Type 20 chambers from 60 cubic inches to 54 cubic inches, Type 24 chambers from 70 cubic inches to 67 cubic inches, and Type 30 chambers from 95 cubic inches to 89 cubic inches.

¹ Automatic Slack Adjusters for Heavy Vehicle Brake Systems, February 1991, DOT HS 807 724, and the National Transportation Safety Board

Heavy Vehicle Airbrake Performance, 1992, PB92-917003/NTSB/SS-92/01

These reductions are consistent with the rated volumes requested by the brake chamber manufacturers. The agency believes that the rated volumes being specified will ensure that there is an adequate amount of air reserves to accommodate the widespread use of antilock brake systems (ABS), a technology that requires greater air supplies. The agency also has increased the stroke length for Type 24 chambers from 2.25/2.70 inches to 2.50/3.20 inches, given that manufacturers now only manufacture long stroke chambers of the larger size. The agency did not amend the rated volumes and stroke lengths for Type 9 chambers, Type 12 chambers, Type 14 chambers, and Type 36 chambers, because no petitioner requested that the requirements for these brake types be modified.

NHTSA has concluded that these modifications will encourage the use of long stroke chambers without adversely affecting safety. This determination is based on the following considerations. First, NHTSA has recently increased the minimum compressor cut-in requirement from 85 psi to 100 psi. (61 FR 6173, February 16, 1996) This change will result in the amount of reserved air increasing between 10 percent and 15 percent. In addition, the safety of long stroke chambers is confirmed by a study² by the agency's Vehicle Research Test Center (VRTC) that compared the effects of standard and long stroke brake chambers on brake application and release timing and on the amount of air used under normal braking situations. Measurements were made of the volumes of typical standard and long stroke chambers, the effects of brake actuation and release timing for combination vehicles, and the pressure drops for simulated on-road situations and for a test procedure to measure reservoir capacity. Vehicle tests involved driving situations that would be the most severe in terms of air consumption (i.e., a mountain descent, and stops with ABS cycling on a slippery surface with the brakes at their maximum adjustment level). In addition, VRTC simulated a compressor failure to portray "worst case" situations. Based on these tests, the agency concluded that "there was essentially no difference in the timing and air consumption for standard and long stroke chambers with the brakes fully adjusted."

The safety of long stroke brake chambers was further confirmed by data

submitted by the Society of Automotive Engineers (SAE) Truck and Bus Brake System Subcommittee that is developing the performance requirements for a test procedure that will evaluate air reservoir capacities, SAE J2205. These data, obtained from several vehicle manufacturers and brake manufacturers, indicated no safety problem. Specifically, air consumption was tested on four different makes of ABS by stopping fully loaded five-axle tractor-trailer combinations on wet slippery surfaces with a peak friction coefficient (PFC) of 0.50. The development work which established the test parameters of SAE J2205 indicated that the highest air consumption occurs during stops on low coefficient of friction surfaces which typically have long stopping time durations. The antilock systems cycled from 10 to 13 seconds before the vehicles were stopped in these tests. This is substantially longer than would be experienced in the vast majority of braking events. At the end of the tests, sufficient air pressure remained in the systems to continue cycling of the ABS for at least another 7 seconds, which amounts to reserves ranging from 54 to 70 percent. In addition, vehicle manufacturers submitted data about how they specify total reservoir volume in relation to the size of their front and rear brake chambers used on at least 80 percent of the vehicles they manufacture.

Based on the manufacturers' data, NHTSA believes that the revisions to the rated volumes in Table V will allow approximately 95 percent of currently manufactured air-braked vehicles to use long stroke brake chambers, without having to increase the size of brake chamber reservoirs. As NHTSA stated in the final rule, long-stroke chambers provide important safety benefits including, improved braking efficiency, a reduction in the number of brakes found to be out of adjustment during inspections, and a reduction in the incidence of dragging brakes. The agency believes that specifying these slightly lower rated volumes will remove a design restriction that tended to discourage the use of long stroke brake chambers, a technology that can provide significant safety benefits. Given these safety benefits and no corresponding detriment to safety, NHTSA concludes that today's modifications to the rated volumes in Table V are appropriate.

B. Miscellaneous Considerations

ATA requested that the agency eliminate type 9, 12, 14, 18, and 36 brake chambers from Table V since they

do not currently come in long stroke versions.

NHTSA has decided to retain the rated volumes for type 9, 12, 14, 18, and 36 brake chambers in Table V, even though brake manufacturers currently do not manufacture brake chambers of such sizes. The agency believes that retaining the option for having a rated volume for chambers of such sizes is appropriate since it allows manufacturers to decide to develop additional long stroke chambers without the necessity of seeking an amendment to Table V.

Rulemaking Analyses and Notices

Executive Order 12866 (Federal Regulation) and DOT Regulatory Policies and Procedures

NHTSA has considered the impact of this rulemaking action under E.O. 12866, "Regulatory Planning and Review" and the Department of Transportation's regulatory policies and procedures. This rulemaking document was not reviewed under E.O. 12866. This action has been determined to be not "significant" under the Department of Transportation's regulatory policies and procedures. This rule does not affect the cost estimates made by the agency regarding the January 1995 final rule since it will not impose any new requirements on manufacturers. Instead, the rule will facilitate the introduction of a new brake design by removing a design restriction. Therefore, the agency believes that this rulemaking will not result in additional costs or cost savings. Accordingly, a full regulatory evaluation is not required for this rule.

C. Regulatory Flexibility Act

In accordance with the Regulatory Flexibility Act, NHTSA has evaluated the effects of this action on small entities. Based upon this evaluation, I certify that the amendments will not have a significant economic impact on a substantial number of small entities. Vehicle and brake manufacturers typically do not qualify as small entities. For the reasons noted above, the agency believes that this amendment will not have any cost impact on the industry. Small businesses, small organizations, and small governmental units which purchase motor vehicles will not be affected by the requirements. Accordingly, no regulatory flexibility analysis has been prepared.

D. Executive Order 12612 (Federalism)

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612, and it has been determined that

²Flick, Mark, "Tests to Evaluate Reservoir Volume Requirements for Standard and Long Stroke Chambers," VRTC-82-0255 (January 1996)

the rule will not have sufficient Federalism implications to warrant preparation of a Federalism Assessment. No State laws will be affected.

E. National Environmental Policy Act

Finally, the agency has considered the environmental implications of this final rule in accordance with the National Environmental Policy Act of 1969 and determined that the rule will not significantly affect the human environment.

F. Civil Justice Reform

This final rule does not have any retroactive effect. Under 49 U.S.C. 30103, whenever a Federal motor vehicle safety standard is in effect, a State may not adopt or maintain a safety standard applicable to the same aspect of performance which is not identical to the Federal standard, except to the extent that the State requirement imposes a higher level of performance and applies only to vehicles procured for the State's use. 49 U.S.C. 30161 sets forth a procedure for judicial review of final rules establishing, amending or revoking Federal motor vehicle safety

standards. That section does not require submission of a petition for reconsideration or other administrative proceedings before parties may file suit in court.

List of Subjects in 49 CFR Part 571

Imports, Motor vehicle safety, Motor vehicles, Rubber and rubber products, Tires.

In consideration of the foregoing, 49 CFR part 571 is amended as follows:

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

1. The authority citation for Part 571 continues to read as follows:

Authority: 49 U.S.C. 322, 30111, 30115, 30117, and 30166; delegation of authority at 49 CFR 1.50.

2. Section 571.121 is amended by revising Table V which appears immediately after Figure 3.

§ 571.121 Standard No. 121, Air brake systems.

* * * * *

TABLE V.—BRAKE CHAMBER RATED VOLUMES

Brake chamber type (nominal area of piston or diaphragm in square inches)	Column 1 full stroke (inches)	Column 2 rated volume (cubic inches)
Type 9	1.75/2.10	25
Type 12	1.75/2.10	30
Type 14	2.25/2.70	40
Type 16	2.25/2.70	46
Type 18	2.25/2.70	50
Type 20	2.25/2.70	54
Type 24	2.50/3.20	67
Type 30	2.50/3.20	89
Type 36	3.00/3.60	135

Issued on: July 3, 1996.
 Ricardo Martinez,
Administrator.
 [FR Doc. 96-17581 Filed 7-10-96; 8:45 am]
BILLING CODE 4910-59-P

Proposed Rules

Federal Register

Vol. 61, No. 134

Thursday, July 11, 1996

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

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Parts 92, 93, 94, 95, 96, and 98

[Docket No. 94-106-4]

RIN 0579-AA71

Importation of Animals and Animal Products

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of extension of comment period.

SUMMARY: We are extending the comment period for our proposed rule that would amend the regulations regarding the importation of animals and animal products by establishing criteria for foreign "regions" based on risk class levels. We are also announcing the availability, through the World Wide Web and in our comment reading room, of information concerning public comments received on the proposed rule, transcripts of public hearings held on the proposed rule, and other documents that are part of the administrative record for the proposed rule.

DATES: Consideration will be given only to comments on the proposed rule received on or before September 16, 1996.

ADDRESSES: Comments may be submitted as paper copies or by electronic mail. If you submit paper copies, please send an original and three copies of your comments to Docket No. 94-106-1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state that your comments refer to Docket No. 94-106-1. We encourage the submission of copies by electronic mail, since this both facilitates our analysis of the comments and allows us to make the text of comments available to the public via the Internet. The e-mail address for comments on this proposed rule is 94-

106-1@aphis.usda.gov. Please be sure to include your full name and organization in any comments you submit by e-mail. If your e-mail comment is a duplicate of a paper copy you have submitted, please state this in the first line of your e-mail message. Comments submitted by e-mail will be posted to the APHIS Regionalization Proposal Web Page within a few days after receipt. This Web page also contains copies of the proposed rule in several formats, lists of persons who have submitted comments, transcripts of public hearings held on the proposed rule, and other background information from the administrative record of the proposed rule. The Web page URL is <http://www.aphis.usda.gov/PPD/region>. Both paper and e-mail comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690-2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Dr. Gary Colgrove, Chief Staff Veterinarian, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 38, Riverdale, MD 20737-1231, (301) 734-8590.

SUPPLEMENTARY INFORMATION: On April 18, 1996, we published in the Federal Register (61 FR 16978-17105, Docket No. 94-106-1), a proposal to amend the regulations in title 9 of the Code of Federal Regulations regarding the importation of animals and animal products. We proposed to establish criteria for foreign "regions" based on risk class levels that would apply to the importation of ruminants and swine and the products of these animals. We also proposed to allow, under certain conditions, the unloading and reloading at the port of arrival of meat and other animal products otherwise prohibited entry into the United States.

Comments on the proposed rule were required to be received on or before July 17, 1996. We have received four requests to extend the period during which comments will be accepted. These requests were received from an advisory committee to the Secretary of Agriculture, a livestock institute, a veterinary association, and an animal health association.

In response to these requests, we are extending the comment period on Docket No. 94-106-1 for an additional 60 days. We believe this action, along with the series of four public hearings that we have held regarding the proposal, will allow the organizations requesting extension of the comment period and all other interested persons adequate opportunity to prepare and submit comments.

Authority: 7 U.S.C. 1622; 19 U.S.C. 1306; 21 U.S.C. 102-105, 111, 114a, 134a, 134b, 134c, 134d, 134f, 135, 136, and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.2(d).

Done in Washington, DC, this 3rd day of July 1996.

Terry L. Medley,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 96-17672 Filed 7-10-96; 8:45 am]

BILLING CODE 3410-34-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 96-ANM-018]

Proposed establishment of Class E airspace; Canon City, CO

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Proposed Rulemaking (NPRM).

SUMMARY: This proposed rule would establish the Canon City, Colorado, Class E airspace to accommodate a new Global Positioning System (GPS) standard instrument approach procedure (SIAP) to the Fremont County Airport. The area would be depicted on aeronautical charts for pilot reference.

DATES: Comments must be received on or before August 30, 1996.

ADDRESSES: Send comments on the proposal in triplicate to: Manager, Operations Branch, ANM-530, Federal Aviation Administration, Docket No. 96-ANM-018, 1601 Lind Avenue S.W., Renton, Washington 98055-4056.

The official docket may be examined at the same address.

An informal docket may also be examined during normal business hours at the address listed above.

FOR FURTHER INFORMATION CONTACT: James C. Frala, ANM-532.4, Federal Aviation Administration, Docket No. 96-ANM-018, 1601 Lind Avenue S.W., Renton, Washington 98055-4056; telephone number: (206) 227-2535.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy related aspects of the proposal. Communications should identify the airspace docket number and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 96-ANM-018." The postcard will be date/time stamped and returned to the commenter. All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination at the address listed above both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the Federal Aviation Administration, Operations Branch, ANM-530, 1601 Lind Avenue S.W., Renton, Washington 98055-4056. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2A, which describes the application procedure.

The Proposal

The FAA is considering an amendment to part 71 of the Federal Aviation Regulations (14 CFR part 71) to establish Class E airspace at Canon City,

Colorado, to accommodate a new GPS SIAP to the Fremont County Airport. The area would be depicted on aeronautical charts for pilot reference. The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from 700 feet or more above the surface of the earth are published in Paragraph 6005 of FAA Order 7400.9C dated August 17, 1995, and effective September 16, 1995, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document would be published subsequently in the Order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9C, Airspace Designations and Reporting Points, dated August 17, 1995, and effective September 16, 1995, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM CO E5 Canon City, CO

Fremont County Airport, Canon City, CO
(Lat. 38°25'47"N, long. 105°06'31"W)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of the Fremont County Airport.

* * * * *

Issued in Seattle, Washington, on June 27, 1996.

Richard E. Prang,

*Acting Assistant Manager, Air Traffic
Division, Northwest Mountain Region.*

[FR Doc. 96-17675 Filed 7-10-96; 8:45 am]

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**SECURITIES AND EXCHANGE
COMMISSION**

17 CFR Part 240

[Release No. 34-37403; File No. S7-16-96;
International Series-1001]

RIN 3235-AG81

**Amendments to Beneficial Ownership
Reporting Requirements**

AGENCY: Securities and Exchange
Commission.

ACTION: Reproposed rules.

SUMMARY: In accordance with a recent recommendation of the Report of the Task Force on Disclosure Simplification published March 5, 1996, the Securities and Exchange Commission ("Commission") today is publishing for comment a proposal to amend the rules relating to the reporting of beneficial ownership in publicly-held companies. Similar amendments were proposed in 1989 but were not acted upon by the Commission. These reproposals would make Schedule 13G available, in lieu of Schedule 13D, to all investors beneficially owning less than 20 percent of the outstanding class that have not acquired or held the securities for the purpose of and do not have the effect of changing or influencing the control of the issuer of the securities. The purposes of the reproposals are to improve the effectiveness of the beneficial ownership reporting scheme and to reduce the reporting obligations of passive investors.

DATES: Comments should be received on or before September 9, 1996.

ADDRESSES: Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments may also be submitted electronically at the following e-mail address: rule-comments@sec.gov. Comment letters should refer to File No. S7-16-96; this file number should be

included on the subject line if e-mail is used. All comments received will be available for public inspection and copying in the Commission's public reference room at the same address. Electronically submitted comments will be posted on the Commission's Internet web site (<http://www.sec.gov>).

FOR FURTHER INFORMATION CONTACT: Dennis O. Garris, Special Counsel, Office of Mergers and Acquisitions, Division of Corporation Finance, Securities and Exchange Commission at (202) 942-2920, 450 Fifth Street N.W., Washington, D.C. 20549.

SUPPLEMENTARY INFORMATION: The Commission is reproposing for comment amendments to Regulation 13D-G¹ and Schedules 13D and 13G.

I. Background and Overview

A. Current Regulatory Scheme

The beneficial ownership reporting requirements embodied in Sections 13(d)² and 13(g)³ of the Securities Exchange Act of 1934 ("Exchange Act")⁴ and the regulations adopted thereunder⁵ are intended to provide investors and the subject issuer with information about accumulations of securities that may have the potential to change or influence control of the issuer. The statutory and regulatory framework also establishes a comprehensive reporting system for gathering and disseminating information about the ownership of equity securities.⁶ These provisions require, subject to exceptions, that any person who acquires beneficial ownership of more than five percent of a class of equity securities registered under Section 12 of the Exchange Act⁷ and other specified equity securities (collectively, "subject securities") report such acquisition on Schedule 13D within 10 calendar days. That report must be amended promptly to report any material change in the information provided, including any acquisition or disposition of one percent or more of the class.⁸ Persons holding more than five percent of a class of subject securities at the end of the calendar year, but who have not made an

acquisition subject to Section 13(d) ("Exempt Investors"),⁹ are required instead to file and amend a short-form Schedule 13G within 45 days after the close of the calendar year. The Schedule 13G and amendments need only report securities that are beneficially owned as of the last day of the year.

Schedule 13G is also available to specified institutional investors ("Qualified Institutional Investors")¹⁰ that acquired or hold the securities in the ordinary course of business and without a purpose or effect or in connection with a transaction having a purpose or effect, of changing or influencing control of the issuer. These Qualified Institutional Investors likewise only report their greater than five percent positions held as of the close of the year either in an initial report or amendment in the case of any change in the information provided, except if they own more than 10 percent as of the close of any month, in which case a Schedule 13G must be filed or amended within 10 calendar days reporting the holdings as of the close of the month.¹¹ These flexible reporting requirements are designed to minimize the costs of monitoring positions in securities acquired in the ordinary course of the investor's business.

B. Proposals for Reform

In 1989, the Commission proposed amendments to Regulation 13D-G to improve the effectiveness of the reporting scheme and to lessen the compliance costs to investors that have not acquired or held the securities with the purpose or effect of changing or

influencing the control of the issuer.¹² The 1989 proposed amendments were not acted upon by the Commission. The amendments proposed today are similar to the 1989 proposals except, as more fully discussed below, the Commission is not reproposing a limitation on the amount of securities that a Qualified Institutional Investor can report on Schedule 13G and the Commission is proposing that the new class of persons that would be eligible to use Schedule 13G would have the same amendment requirements that currently apply to Schedule 13D filings, as opposed to the more liberal amendment requirements currently applicable to Schedule 13G.

The current reporting scheme requires most persons other than institutions to file detailed disclosure reports regardless of the reasons for the acquisition. As a result, the current reporting scheme may place unnecessary disclosure burdens on persons whose acquisitions do not implicate the Williams Act's concern with transactions affecting the control of issuers. To further the Commission's goals of disclosure simplification and efficiency, as stated in the Report of the Task Force on Disclosure Simplification published March 5, 1996, the amendments are being reproposed at this time to improve the effectiveness of the beneficial ownership reporting scheme and to reduce the reporting obligations of all investors that acquire or hold the securities without the purpose or the effect of changing or influencing control of the issuer by permitting them for the first time to report on Schedule 13G. Since the Commission first proposed to exempt investors that do not have a disqualifying purpose or effect from the Schedule 13D filing requirements, initial Schedule 13D filings have increased from 2,850 in fiscal 1988 to 3,347 in fiscal 1995, a 17 percent increase. Data provided by the Commission's Office of Economic Analysis indicates that 76 percent of the Schedules 13D studied by that office did not disclose a purpose or effect of changing or influencing control of the issuer and, therefore, would benefit from the amendments proposed today.¹³ The reduced number of Schedule 13D filings would allow the marketplace, as well as the staff of the Commission, to focus more quickly on acquisitions

¹ Rules 13d-1, 13d-2, and 13d-7 [17 CFR 240.13d-1, 240.13d-2, and 240.13d-7].

² 15 U.S.C. 78m(d).

³ 15 U.S.C. 78m(g).

⁴ 15 U.S.C. 78a *et seq.*

⁵ Regulation 13D-G, Rules 13d-1 through 13d-7 [17 CFR 240.13d-1 through 240.13d-7].

⁶ For a more extensive discussion of Sections 13(d) and 13(g), and Regulation 13D-G adopted to implement both statutory provisions, see Securities Exchange Act Release No. 26598 (March 8, 1989) [54 FR 10552] ("Proposing Release").

⁷ 15 U.S.C. 78l.

⁸ Rule 13d-2(a).

⁹ Persons who acquire all their securities prior to the issuer registering under the Exchange Act are not subject to Section 13(d), and persons who acquire not more than two percent of a class of subject securities within a 12-month period are exempted from Section 13(d) by Section 13(d)(6)(B), but in both cases are subject to Section 13(g). Section 13(d)(6)(A) exempts acquisitions of subject securities acquired in a stock-for-stock exchange which is registered under the Securities Act of 1933.

¹⁰ Such specified institutional investors include a broker or dealer registered under Section 15(b) of the Exchange Act [15 U.S.C. 78o(b)], a bank as defined in Section 3(a)(6) of the Exchange Act [15 U.S.C. 78c(a)(6)], an insurance company as defined in Section 3(a)(19) of the Exchange Act [15 U.S.C. 78c(a)(19)], an investment company registered under Section 8 of the Investment Company Act of 1940 [15 U.S.C. 80a-8], an investment adviser registered under Section 203 of the Investment Advisers Act of 1940 [15 U.S.C. 80b-1 *et seq.*], an employee benefit plan or pension fund that is subject to the provisions of the Employee Retirement Income Security Act of 1974 [codified principally in 29 U.S.C. 1001-1461], and related holding companies and groups (collectively, "institutional investors"). Rule 13d-1(b)(1)(ii) [17 CFR 240.13d-1(b)(1)(ii)].

¹¹ Rule 13d-1(b)(2).

¹² Exchange Act Release No. 26598 (March 8, 1989) [54 FR 10552]. The Commission received fifteen comment letters which are available for public inspection and copying at the Commission's Public Reference Room in Washington, D.C. (File No. S7-8-89).

¹³ The sample included 110 Schedules 13D filed from November 10, 1994 to December 30, 1994.

involving the potential to change or influence control.

Accordingly, in addition to the two existing categories of Schedule 13G filers (Qualified Institutional Investors and Exempt Investors), a third category ("Passive Investors")¹⁴ would be created, significantly expanding the classes of persons eligible to file on the short form. Any person who acquires or holds more than five percent of a class of subject securities and does not have a disqualifying purpose or effect would be permitted to file a short-form report on Schedule 13G within 10 calendar days after the acquisition, rather than the long-form report on Schedule 13D.¹⁵ A Qualified Institutional Investor would remain eligible to file a short-form report on Schedule 13G 45 days after the year's end, provided that the requirements of amended Rule 13d-1(b)(1) are satisfied. Exempt Investors would continue to file their initial Schedule 13G within 45 calendar days after the calendar year in which they became subject to Section 13(g) and Rule 13d-1(c).

The rule amendments would subject Passive Investors filing Schedule 13G in lieu of Schedule 13D to the same amendment requirements that currently apply to Schedule 13D. Additionally, Passive Investors would be subject to a proposed 20 percent limit on the amount of an issuer's securities that may be reported on Schedule 13G and would be required to file a Schedule 13D within 10 calendar days of acquiring 20 percent or more of the securities. Upon acquiring 20 percent or more, the investor would be prohibited from acquiring additional securities or

¹⁴The term "Passive Investors" is used in this release to refer to shareholders beneficially owning more than five percent of the class of subject securities and who can certify that the subject securities were not acquired or held for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purpose or effect. See proposed Rule 13d-1(b)(2) and revised Item 10 of Schedule 13G. Shareholders that are unable to certify to this effect are considered to have, for purposes of this release, a "disqualifying purpose or effect".

¹⁵Schedule 13D requires more disclosure than Schedule 13G. The following are the primary disclosures required by Schedule 13D that are not required by Schedule 13G: (i) the source and amount of funds used to purchase the securities; (ii) the purpose of the acquisition of the securities and any plans or proposals that the reporting person has involving the issuer including, among other things, extraordinary transactions and changes of control; (iii) a description of transactions in the securities reported on in the sixty days prior to the filing of the schedule; (iv) a description of any contracts or arrangements involving the securities of the issuer; and, (v) a requirement to file copies of any written contracts or arrangements described in the Schedule 13D as exhibits to the schedule.

from voting or directing the voting of the securities until filing that schedule (a "standstill period"). The Commission is not reproposing a percentage limit to reporting on Schedule 13G for Qualified Institutional Investors.

Under the proposed amendments, Passive Investors that are no longer able to certify that they did not acquire or do not hold with a disqualifying purpose or effect would be required to file a Schedule 13D within 10 calendar days of the change in purpose. An investor required to file a Schedule 13D because it has changed its investment purpose would be subject to a waiting period ("cooling-off period") from the time of the change in investment purpose until the expiration of the tenth calendar day from the date of the filing of a Schedule 13D, during which time such person could not vote or direct the voting of the subject securities, or acquire an additional beneficial ownership interest in any securities either of the issuer or of any person controlling the issuer.

In 1992 the Commission revised the proxy rules to exempt certain communications from the proxy regulation and disclosure requirements. The 1992 proxy rule amendments were justified in part because Section 13(d) would continue to require disclosure of concerted activities by and among groups of significant shareholders regarding voting matters.¹⁶ Following the 1992 proxy reform, some commentators have continued to express the concern that Section 13(d) has a potential chilling effect on a shareholder's ability to take full advantage of the proxy rule exemptions, since actions taken pursuant to the proxy exemptions may be interpreted to be inconsistent with the certifications necessary for Qualified Institutional Investors to file on Schedule 13G or such actions may lead to a finding of a "group" under Rule 13d-5(b)(1).¹⁷

¹⁶See Exchange Act Release No. 31326, Section I (October 16, 1992) [57 FR 48276]; testimony of Richard C. Breeden, Chairman of the Securities and Exchange Commission, before the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs, United States Senate (October 17, 1991).

¹⁷In April 1994, the Council of Institutional Investors submitted a rulemaking petition to allow institutions that incur a Schedule 13D filing obligation as a result of exempt soliciting activities to report their beneficial ownership on a short form instead. The petition requested relief from Section 13(d) filing obligations for Schedule 13G eligible shareholders participating in communications covered by the two principal exemptions from the proxy rules. Under the petition, persons engaged in exempt solicitations would only be required to file a new short form disclosure statement and they would not lose their Schedule 13G eligibility. The petition is available for inspection and copying at the Commission's Public Reference Room in Washington, D.C. (File 4-372).

Comment is requested as to whether Section 13(d) reporting obligations restrict a shareholder's ability to use the proxy rule exemptions and whether relief, in addition to that proposed today, from Schedule 13D filing obligations with respect to soliciting activities is necessary and appropriate.

Finally, the Commission is proposing amendments to the schedules and technical amendments to the beneficial ownership rules along with additional related and clarifying amendments.

II. Proposed Amendments to Regulation 13D-G

A. Expansion of the Class of Investors Eligible to Report on Schedule 13G

The Commission is reproposing that Regulation 13D-G be amended to permit Passive Investors to use the short-form Schedule 13G.¹⁸ Passive Investors would file the Schedule within 10 calendar days after acquiring beneficially more than five percent of a class of subject securities. Persons unable or unwilling to certify that they do not have a disqualifying purpose or effect because, for example, the possibility exists that they may seek to exercise or influence control, would be ineligible to file a Schedule 13G and would be required to file a Schedule 13D. The comment letters on the 1989 proposals reflected significant consensus supporting the Commission's expansion of the eligible class of Schedule 13G filers.¹⁹

The Commission is reproposing that Passive Investors be allowed to choose whether to report on Schedule 13G or Schedule 13D.²⁰ The Commission preliminarily believes that Passive Investors should be given the flexibility to determine which Schedule is most appropriate given their circumstances. The fact that an investor can represent

¹⁸Proposed Rule 13d-1(b)(2).

¹⁹Of the 15 comment letters received by the Commission on the proposals, 13 commenters generally supported the expansion and two commenters opposed the expansion.

²⁰In the 1989 Proposing Release the Commission requested comment upon whether reporting on a Schedule 13G (as opposed to Schedule 13D) should be permissive or mandatory for investors that do not have a disqualifying purpose or effect. Commenters opposing a mandatory filing requirement suggested that the detailed disclosures contained in a Schedule 13D may be more appropriate in situations where the investor's purpose or effect may abruptly change to a disqualifying purpose or effect and, accordingly, the use of the Schedule 13D, in lieu of the Schedule 13G, should be optional. Commenters supporting mandatory use of Schedule 13G believed that such a requirement would enhance the marketplace's ability to focus on those acquisitions representing a disqualifying purpose or effect and would deter Schedule 13G eligible filers from filing on Schedule 13D in order to avoid the cooling-off period upon a change in purpose or effect.

that it does not have a disqualifying purpose or effect but still chooses to file on a Schedule 13D may provide important information concerning the filing person's intent. Accordingly, the Commission is reproposing that the use of Schedule 13G, in lieu of Schedule 13D, remain optional for those persons eligible to use Schedule 13G. However, the Commission requests comment as to the appropriateness of this approach and whether Schedule 13G eligible persons would choose to file on Schedule 13D to avoid the cooling-off period upon a change in investment purpose. Comment is also requested as to whether a mandatory filing approach would better serve the market by allowing investors to focus on those acquisitions that presently represent an attempt to influence or change control of the issuer.

B. Filing Periods for Passive Investors Filing on Schedule 13G

As reproposed, Passive Investors choosing to file a Schedule 13G would file the schedule within 10 calendar days of crossing the five percent threshold. Requiring the filing within 10 days, rather than the 45 days following year end currently applicable to Schedule 13G filers, would provide more timely notice to the market and shareholders of the existence of voting blocks that have the potential of affecting control of the issuer.

Under the proposed rules, however, Passive Investors filing on Schedule 13G would still be subject to the same amendment requirements currently applicable to Schedule 13D.²¹ This approach differs from the 1989 proposals, which proposed that Passive Investors filing on Schedule 13G be subject merely to the more liberal amendment requirements currently applicable to Qualified Institutional Investors filing on Schedule 13G.²² One

²¹ Rule 13d-2(a) requires that an amendment to Schedule 13D be filed promptly upon any material change in the facts set forth in the schedule, including any material increase or decrease in the percentage of the class beneficially owned. Acquisitions or dispositions of one percent or more of the class are deemed to be "material" for the purposes of this rule. Acquisitions or dispositions of less than one percent of the class may be material depending upon the facts and circumstances.

²² Under Rule 13d-2(b) an amendment to the Schedule 13G would be due 45 calendar days after the close of the year to report only any change that occurred in the information previously reported on Schedule 13G as of the last day of the year. However, under Rule 13d-1(b)(2) if their beneficial ownership exceeds 10 percent of the class at the end of any month, an amendment would be required to be filed within 10 days after the end of that month, as well as within 10 days after the end of any month in which their ownership increases or decreases by more than five percent of such class.

commenter on the 1989 proposals expressed the concern that the 1989 proposals would not have required timely disclosure of material changes, including increases in ownership of the issuer's securities. For example, under the 1989 proposals, a Passive Investor would only have been required to file an amendment to the Schedule 13G to disclose an acquisition of ownership in excess of 10 percent of such securities within 10 days after the end of the month in which the person's ownership exceeded 10 percent of the class as of the end of the month. The Commission preliminarily believes that, although Passive Investors do not have a disqualifying purpose or effect, the market may benefit from more timely notice of material changes in ownership and material changes in the information previously reported by such persons.

In addition, by providing that the market will receive notice of material changes in the amount beneficially owned by persons filing under this new category of "Passive Investors", there is less of an incentive for those who may ultimately have a control intent to use Schedule 13G for the purpose of being able to acquire, for example, up to 9.9 percent of an issuer's stock without ever triggering any reporting requirement or disclosure to the market other than, perhaps, a prior filing of a five percent ownership interest. Likewise, without this amendment requirement a Passive Investor could increase a securities holding from just over 10 percent to just under 20 percent without any reporting or disclosure to the market until 10 days after the end of the month in which the 15 percent threshold was crossed. In the past, stock accumulation programs have taken advantage of the current statutory "window" in the Section 13(d) reporting regime. Comment is requested as to whether providing for current Schedule 13G amendment procedures as opposed to the more stringent Schedule 13D amendment procedures, for persons who qualify as Passive Investors, would exacerbate that problem, thereby decreasing investor protection and the availability of timely information provided to the market.

Comment is requested as to whether it is necessary to require that Passive Investors filing on Schedule 13G be subject to the more stringent amendment requirements currently applicable to Schedule 13D. Would more frequent amendments by Passive Investors provide sufficiently useful information to investors, the market and issuers to justify the filing burden on Passive Investors? Would the proposed

standstill²³ and cooling-off²⁴ provisions provide sufficient protection from the abuse noted if the more lenient amendment requirements were adopted? If so, please explain.

Alternatively, would it be more appropriate to require Passive Investors to file an annual amendment for any material change in the information previously reported (like a Qualified Institutional Investor) but also file an amendment promptly upon acquiring 10 percent or more? Thereafter, the Passive Investor would promptly report any change in position of five percent or more (rather than, as with Qualified Institutional Investors, only five percent changes in position as of the last day of the month and amending within 10 days thereafter).²⁵ Should crossing each of these thresholds trigger a requirement that the Passive Investor cease voting and acquiring additional securities until the amendment is filed? Would that have any deterrent effect to the use of Schedule 13G where substantial acquisitions are planned? Conversely, does the proposed requirement to report promptly any material changes in position render the proposed 20 percent limitation on the use of Schedule 13G by Passive Investors and accompanying standstill period unnecessary? The Commission is considering for adoption each of these combinations of amendment requirements, cooling-off periods, and standstill periods.

The rules would continue to permit Qualified Institutional Investors to file the Schedule 13G within 45 days after calendar year end and without being subject to a 20 percent limitation on their holdings. Qualified Institutional Investors would continue to be required to certify that the subject securities were acquired in the ordinary course of business and not with the purpose nor with the effect of changing or influencing the control of the issuer.²⁶

²³ Under the proposed rules, Passive Investors would be required to file a Schedule 13D within 10 days of the date their beneficial ownership equals or exceeds 20 percent of the class and would, upon such acquisition, be subject to a standstill period during which they could not vote their shares or acquire additional shares of the class until the Schedule 13D is filed. See Section II.D. *infra*.

²⁴ Under the proposed rules, if a Passive Investor develops a disqualifying purpose or effect, the investor would be subject to a cooling-off period until 10 days after the filing of a Schedule 13D during which period they could not vote their shares or acquire additional securities. See Section II.C. *infra*.

²⁵ One commenter on the 1989 proposals suggested requiring an amendment at two percent intervals.

²⁶ The Commission proposes to revise the certification on the Schedule 13G for Qualified Institutional Investors to provide that such investors certify that the securities were acquired *and held* in the ordinary course of business and

Even where an institutional investor is unable to make the "ordinary course of business" certification²⁷ it would still be permitted to file on Schedule 13G under the Passive Investor provision so long as it does not have a disqualifying purpose or effect. The Passive Investor provision, however, would require both types of investors, institutional and non-institutional, to file the Schedule 13G within 10 calendar days of the acquisition. Furthermore, such institutions would be required to file an amendment to their Schedule 13G within 10 calendar days of that change in status to disclose the change.²⁸ Comment is requested as to whether such institutional investors should be subject to a standstill period until the filing of the Schedule 13G amendment. Likewise, an institution unable to make the "ordinary course of business" certification would also be subject to the 20 percent limitation.

In addition, as repropoed, all Exempt Investors would continue to be able to file Schedule 13G within 45 days after the close of the calendar year, and would not be subject to the 20 percent limitation.²⁹ The exempt holdings do not appear to present a potential for affecting control of the issuer that

were not acquired *or held* for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired *or held* in connection with or as a participant in any transaction having such purpose or effect (*emphasis added*). This proposed amendment to the certification is to conform the language of the certification to proposed Rule 13d-1(b)(4)(i)(A).

²⁷ In 1989, the Commission requested comment on the appropriateness of continuing to require the ordinary course of business certification. The sole commenter expressing a view on this matter stated that the ordinary course of business requirement is unnecessary when institutional investors acquire subject securities for passive purposes.

Congress recognized that the Section 13(d) statutory framework could have a significant impact on the reporting obligations of certain institutional investors and professionals in the securities business. Because such persons often acquire securities in the ordinary course of business and not with a view toward influencing control, in 1970 Congress specifically provided in Section 13(d)(5) that the Commission could permit the filing of a short form acquisition notice upon the determination that the securities were acquired in the ordinary course of business. Although the Commission proposes to eliminate that requirement for Passive Investors relying on proposed Rule 13d-1(b)(2), the certification in its present form will be retained with respect to institutions relying on the more liberal filing requirement under Rule 13d-1(b)(1). As a result, institutions would only have to report beneficial ownership of equity securities acquired and held in the ordinary course of business to the extent they owned more than five percent of the class at year end (or more than 10 percent at the end of any month). Proposed Rules 13d-1(b)(1) and (3).

²⁸ Proposed Rule 13d-1(b)(6)(ii).

²⁹ Proposed Rule 13d-1(c).

should require earlier notice to the market and shareholders.

C. 13D Filing Requirement and Cooling-Off Period for Changes in Investment Purpose or Effect

As repropoed, Qualified Institutional Investors and Passive Investors that can no longer certify that they do not hold with a disqualifying purpose or effect must file a Schedule 13D no later than 10 calendar days after the change in investment purpose.³⁰ A "cooling-off" period would commence at the time the reporting person determines that it holds the subject securities with a disqualifying purpose or effect until the expiration of the tenth calendar day from the date of the filing of a Schedule 13D. This "cooling-off" period differs from the period currently required for Qualified Institutional Investors.³¹ That period does not commence until the date of the filing of the Schedule 13D and creates a potential window between the time of the change in the purpose or effect and the "prompt" filing of a Schedule 13D during which the reporting person could acquire additional shares. As repropoed, the new rule would prohibit any such purchases from the moment of the change until the expiration of the tenth calendar day from the date of the filing of the Schedule 13D. During the cooling-off period, the rule would prohibit a person from voting or directing the voting of the subject securities or acquiring beneficial ownership of any equity securities of the issuer or any person controlling the issuer.³²

The Commission preliminarily believes that the repropoed cooling-off period is necessary and appropriate when the beneficial owner determines that it now holds the securities with a disqualifying purpose or effect and may seek to influence control. The earlier commencement of the cooling-off period would encourage the prompt filing of a

³⁰ Proposed Rule 13d-1(b)(4)(i).

³¹ See Rule 13d-1(b)(3)(ii).

³² In connection with the 1989 proposals, the Commission requested comment on the necessity of a cooling-off period and whether 10 calendar days was the appropriate period. Seven commenters addressed this issue, and all seven generally supported the concept of a cooling-off period. Four fully supported the 10 day time frame while two suggested a five day period, and a third advocated a 20 day period. The Commission also requested comment on whether the provision would discourage improper Schedule 13G filings by persons seeking to influence control. Four commenters generally believed that such a timing requirement would have such an effect; two other commenters did not agree, in part because of a concern that investor "raiders" may initially characterize themselves as "passive investors" and subsequently delay acknowledging their control intent.

Schedule 13D.³³ The cooling-off period would prevent further acquisitions or the voting of the subject securities until the market and investors have been given time to react to the information in the Schedule 13D filing.

Comment is again requested on the necessity of the 10 calendar day cooling-off period. Is the dissemination of information concerning these filings, even for smaller companies, so rapid and widespread in the media that such period could be shortened (*e.g.*, to 3 or 5 days)? One commenter on the 1989 proposals suggested a longer cooling-off period. Should such period be lengthened (*e.g.*, 15 or 20 days)? Comment is requested as to the time at which the cooling-off period should begin—upon the change in purpose or effect, or upon the filing of the Schedule 13D. If the cooling-off period begins upon the change in purpose or effect, should it end upon the filing of the Schedule 13D?

D. Twenty-Percent Limit on Ownership Interest Reportable on Schedule 13G and Related Standstill Period

As originally proposed, the amendments to Regulation 13D-G would have restricted the use of Schedule 13G for all 13G eligible filers (other than Exempt Investors) by limiting the aggregate amount of securities that an investor could report on that Schedule to less than 20 percent. An investor would have been required to report on Schedule 13D within 10 calendar days after reaching the 20 percent threshold. The proposed amendments would have subjected the investor to a standstill period commencing at the time the threshold was reached and continuing until the filing of the Schedule 13D.

The original proposals reflected the Commission's concern regarding the need for prompt disclosure of sizeable blocks of securities because of inherent control implications corresponding to such ownership positions.³⁴ In this regard, the Commission specifically requested comment on the appropriateness of the 20 percent threshold level and the appropriateness and length of the standstill period.³⁵

³³ The sooner the Schedule 13D filing is made, the sooner the cooling-off period will end since the cooling-off period ends 10 calendar days from the date the Schedule 13D is filed.

³⁴ As stated in the Proposing Release, the Commission does not intend these proposed rules to create a presumption that beneficial ownership of 20 percent or more of subject securities indicates control or a control purpose.

³⁵ Three commenters favored a threshold limiting the availability of Schedule 13G to those filers whose securities holdings fall below a certain level

Most of the commenters strongly opposed subjecting institutional investors to the 20 percent threshold and the corresponding standstill period. Although recognizing the Commission's concerns regarding the need for prompt disclosure of sizeable blocks of securities, these commenters questioned the usefulness of an expedited Schedule 13D reporting obligation based solely upon reaching the 20 percent threshold level. The commenters stressed that the increased disclosure requirements of Schedule 13D are unwarranted where securities are purchased by otherwise eligible institutions in the ordinary course of business and that such a provision would impose too many costs with little, if any, benefit to the market.

In particular, one commenter asserted that (1) where sizeable blocks are held by institutional investors, such disclosure is already fulfilled pursuant to the current requirement that a Schedule 13G filing be made within 10 days after the end of the month where either an excess of 10 percent ownership or an increase or decrease of more than five percent ownership occurs, computed as of the last of the month³⁶ and (2) institutions cross the 20 percent level most often because the institutional investor holds convertible stock.

Certain commenters strongly opposed the 20 percent threshold level as it would apply to registered broker-dealers. One noted that a marketmaker's function is to provide the issuer with an efficient pricing mechanism and to provide purchasers and sellers with liquidity thereby enabling them to dispose of or acquire securities.

The Commission is proposing today that the 20 percent limit would apply only with respect to Passive Investors reporting on Schedule 13G pursuant to new Rule 13d-1(b)(2). Consistent with the current regulatory scheme, Qualified Institutional Investors would not be subject to the 20 percent limitation. The Commission recognizes that institutions that purchase securities in the ordinary course of business may be burdened by a limitation on the amount of securities that can be reported on the short-form Schedule 13G. Further, the Commission preliminarily believes that Schedule 13G strikes an appropriate balance

and also favored the proposed standstill period. All three, however, believed that a 20 percent level is too high. One believed that a 10 percent threshold is the correct level because of the increasingly important role large institutional investors play in contested voting situations. Another suggested a 15 percent limit for non-institutional investors because of the possibility of abuse by those investors and suggested that such a requirement would not impose undue burdens on institutional investors.

³⁶ Rule 13d-1(b)(2) [17 CFR 240.13d-1(b)(2)].

between furnishing disclosure to the market and the burdens placed on such institutions.

Upon reaching the 20 percent level, Passive Investors would be required to report the acquisition within 10 calendar days on Schedule 13D, and would be subject to a standstill period during which time such investor would not be permitted to vote or direct the voting of the securities or acquire an additional beneficial ownership interest in any equity securities of the issuer until the investor files the Schedule 13D.³⁷ Comment is requested on the appropriateness of adopting a 20 percent limit on reporting on Schedule 13G and a standstill period with respect to Passive Investors and with respect to institutional investors who acquire securities other than in the ordinary course of business that remain eligible to file on Schedule 13G as Passive Investors. Comment is also requested on whether a higher or lower threshold should be adopted (e.g., 10 or 15 percent, or 25 or 30 percent.). Is a cap on ownership reported on Schedule 13G by Passive Investors or the proposed standstill period necessary if the Commission applies, as proposed, the current Schedule 13D amendment requirements to Passive Investors? Would a lower threshold, for example 10 percent, be more appropriate in the event the Commission instead decides to permit Passive Investors to take advantage of the more liberal Schedule 13G amendment requirements?

E. Re-establishing Schedule 13G Eligibility

The Commission is proposing to amend Regulation 13D-G to allow persons who have lost their eligibility to file on Schedule 13G to re-establish their Schedule 13G-eligibility and file on Schedule 13G.³⁸ Specifically, a Qualified Institutional Investor who has lost its Schedule 13G eligibility because it is no longer a qualified entity under Rule 13d-1(b)(1)(ii) or cannot certify that it acquired or holds the securities in the ordinary course of business and not with the purpose or effect of changing or influencing control would be allowed to switch back to Schedule

³⁷ As proposed, the acquisition that causes the reporting person to hold 20 percent or more and therefore triggers the Schedule 13D filing obligation, may also trigger an amendment requirement for such person's Schedule 13G (e.g., an acquisition of one percent or more of the class). The Schedule 13G amendment would be required to be filed promptly upon such acquisition and the Schedule 13D would be required to be filed within 10 days of the acquisition. The reporting person may forego filing the amendment to the Schedule 13G if the Schedule 13D is filed promptly.

³⁸ Proposed Rule 13d-1(b)(7).

13G pursuant to the Qualified Institutional Investor provision³⁹ once it re-establishes its status under Rule 13d-1(b)(1)(ii) or can again make the necessary certifications. Similarly, a Passive Investor that has lost its Schedule 13G-eligibility under proposed Rule 13d-1(b)(2) because it can no longer certify that it does not have a disqualifying purpose or effect or because it exceeded the 20 percent threshold, would be able to switch back to Schedule 13G when it is once again able to make the certification or when its beneficial ownership falls below 20 percent. The Commission preliminarily believes that investors and the market would be better informed if reporting persons were able to switch back to Schedule 13G after re-establishing their eligibility, since the filing of a Schedule 13D would be a clearer indicator of an investor that currently has a disqualifying purpose or effect or an investor that holds 20 percent or more of the class. Comment is requested on whether the proposal would provide better information or whether it would lead to abuse by filing persons.

F. Expansion of the Class of Qualified Institutional Investors

As re-proposed, the use of the short-form Schedule 13G pursuant to the Qualified Institutional Investor provisions of Rule 13d-1(b)(1) would continue to be limited essentially to institutions such as brokers, dealers, investment companies, and investment advisers registered with the Commission, or regulated banks or insurance companies. Use of the Schedule 13G by similar non-domestic institutions has been limited in the past to those institutions that have obtained an exemptive order from the Commission⁴⁰ or, under the current practice, a no-action position from the Division of Corporation Finance based on the requester's undertaking to grant the Commission access to information that would otherwise be disclosed in a Schedule 13D and the comparability of the foreign regulatory scheme applicable to the particular category of institutional investor.

Since the Passive Investor provisions of proposed Rule 13d-1(b)(2) would make Schedule 13G available to all investors that do not have a disqualifying purpose or effect, including foreign investors, it is unclear whether foreign institutions would still seek relief to file on Schedule 13G under the Qualified Institutional

³⁹ Rule 13d-1(b)(1).

⁴⁰ See Exchange Act Release No. 14692 (April 21, 1978) [43 FR 18484].

Investor provisions of Rule 13d-1(b)(1). The use of Schedule 13G pursuant to the Passive Investor provisions would require the schedule to be filed within 10 calendar days of the acquisition as opposed to within 45 days after the calendar year in which the institution holds more than five percent at year end under the Qualified Institutional Investor provision, and could not be used to report beneficial ownership of 20 percent or more. Similarly, a prompt amendment requirement may make reliance on the Passive Investor provision less useful for foreign institutions than the Qualified Institutional Investor provision. Comment is requested as to whether the accelerated filing and amendment requirement, and the 20 percent limit under proposed Rule 13d-1(b)(2) would discourage foreign investors from using that provision and cause those foreign institutional investors to continue to seek relief to file pursuant to Rule 13d-1(b)(1).

The Commission continues to believe that a non-U.S. institution seeking relief to file pursuant to Rule 13d-1(b)(1) should be subject to a regulatory scheme in its country comparable to the U.S. regulatory scheme for the particular category of institution and that such institutions should undertake to grant the Commission access to information that would otherwise be disclosed on Schedule 13D.⁴¹ Accordingly, no change to current practice is proposed. However, comment is requested as to whether Rule 13d-1(b)(1) should be amended expressly to allow foreign institutional investors that are the functional equivalent of the domestic institutions enumerated in Rule 13d-1(b)(1)(ii) (A)-(G) to file on Schedule 13G pursuant to that provision without having to obtain individual relief from the Commission. In this regard, should the foreign institution be required to certify on the Schedule 13G that it is subject to a regulatory scheme comparable to the U.S. for the particular category of institution? Additionally, should filing on Schedule 13G under either provision only be available to

⁴¹ Under the Qualified Institutional Investor provision, the initial Schedule 13G is filed based upon the amount beneficially owned as of the last day of the calendar year unless the beneficial ownership exceeded 10 percent of the outstanding securities at any time during the year. Consequently, issuers and the market are not informed during the year that such an investor holds more than five percent of the issuer's securities. The Commission preliminarily believes that since the Qualified Institutional Investor provision does not require disclosure of such initial acquisitions or the existence of such investors until the end of the year, these more lenient filing requirements should be limited to regulated institutions as enumerated in Rule 13d-1(b)(1)(ii).

non-U.S. persons who consent on the Schedule 13G to furnish the Commission with information, at its request, that would otherwise be disclosed in a Schedule 13D?

Additionally, the Commission is proposing that control persons of Qualified Institutional Investors be allowed to report indirect beneficial ownership through the controlled entity on Schedule 13G so long as the control person does not own directly, or indirectly through an ineligible entity or affiliate, more than one percent of the subject company's stock and is not seeking to change or influence control of the subject company.⁴² Control persons filing on Schedule 13G pursuant to this provision would not be subject to the 20 percent limitation as they would if they filed on Schedule 13G pursuant to the Passive Investor provision.⁴³ The Commission is also proposing to make a conforming change under Section 16 of the Exchange Act.⁴⁴

Finally, under the current requirements, only pension funds that are subject to the Employee Retirement Income Security Act of 1974 ("ERISA") are eligible to use Schedule 13G.⁴⁵ The Commission limited the category of pension funds eligible to use Schedule 13G to pension funds subject to ERISA because such funds are subject to uniform regulatory controls.⁴⁶ The staff has granted no-action relief to a state pension fund to use Schedule 13G based upon a showing that the fund's fiduciaries were subject to similar regulatory standards as those imposed by ERISA.⁴⁷ The Commission preliminarily believes that employee

⁴² Proposed Rule 13d-1(b)(1)(ii)(G). This proposed amendment codifies the no-action position set forth in *Warren E. Buffett & Berkshire Hathaway, Inc.*, (available December 5, 1986). Under the original proposals, the no-action position would have continued to be necessary because of the timing difference (45-day versus 10-day) in the filing of the Schedule 13G by eligible institutions and individuals. However, the current proposal would allow the qualifying control person to file its Schedule 13G within the same filing period as the qualifying institution it controls.

⁴³ Proposed Rule 13d-1(b)(2).

⁴⁴ The Commission proposes to amend Rule 16a-1(a)(1)(vii) to include control persons of institutions in the list of persons that are not deemed to be beneficial owners of securities held for the benefit of third parties or in customer or fiduciary accounts in the ordinary course of business as long as the shares are acquired without the purpose or effect of changing or influencing control of the issuer or engaging in any arrangement subject to Rule 13d-3(b). This proposed amendment codifies the interpretive position set forth in *Edward C. Johnson 3d.*, (available August 20, 1991).

⁴⁵ See Rule 13d-1(b)(1)(ii)(F).

⁴⁶ See Exchange Act Release No. 14692, Section II(A)(1)(b) (April 21, 1978) [43 FR 18484].

⁴⁷ See *State of Wisconsin Investment Board and Wisconsin Retirement System*, (available December 8, 1992); see also, *Ontario Teachers' Pension Board*, (available May 6, 1992).

benefit plans maintained primarily for the benefit of state or local government employees are now generally subject to fiduciary obligations and standards for investment that are substantially similar to those imposed by ERISA. Therefore, the Commission proposes to amend Rule 13d-1(b)(1)(ii)(F) to allow employee benefit plans maintained primarily for the benefit of employees of a state or local government or instrumentality to report beneficial ownership on Schedule 13G for securities acquired or held in the ordinary course of business and not with the purpose or effect of influencing the control of the issuer. Comment is requested as to whether such proposal is necessary or appropriate. The Commission is proposing to revise the current language in Rule 13d-1(b)(1)(ii)(F) to clarify that employee benefit plans and pension funds must both be subject to ERISA. The language will also be modified to eliminate a redundancy. The Commission is proposing to eliminate the phrase "pension fund" because such entities are included in the definition of employee benefit plan in Section 3(3) of ERISA. The Commission is also proposing to make a conforming change under Section 16 to amend Rule 16a-1(a)(1)(vi) to include state and local government employee benefit plans in the list of persons that are not deemed to be the beneficial owners of securities held for the benefit of third parties. Comment is requested on the appropriateness of conforming the list of institutional investors in Rule 16a-1(a)(1) (i)-(viii) to reflect the changes made to the list of Qualified Institutional Investors in Rule 13d-1(b)(1)(ii) (A)-(H).

G. Related and Clarifying Amendments

The Commission is also proposing amendments to clarify the beneficial ownership reporting requirements. Amendments are proposed to eliminate the redundancies that currently exist in Regulation 13D-G regarding the filing and dissemination requirements by setting forth such requirements in one rule, proposed Rule 13d-7(b). Amendments are also proposed to revise the dissemination requirements of Schedule 13G. Since the Commission believes that a majority of investors will file Schedule 13G in lieu of Schedule 13D as a result of the proposed amendments to Regulation 13D-G, Schedule 13G will become the primary reporting document for beneficial ownership. Therefore, amended Rule 13d-7(b) would require that the original and amendments to Schedules 13G be provided to each exchange where the

security is traded as is currently required for Schedules 13D. Comment is requested as to whether it is necessary or appropriate to require that copies of Schedules 13G be provided to each exchange since such filings are required to be filed electronically on the Commission's Electronic Data Gathering and Retrieval System and therefore available in the electronic media, such as the Commission's World Wide Web site. Additionally, Schedules 13G for exempt acquisitions would continue to be sent only to the issuer at its principal executive offices and be filed with the Commission. Amendments to Schedule 13G relating to exempt acquisitions

would no longer be required to be sent to an exchange.

The Commission is also reproposing that a copy of a Schedule 13D, Schedule 13G or amendment filed to report ownership of a class of securities quoted on the National Association of Securities Dealers Automated Quotation System be provided to the National Association of Securities Dealers ("NASD") to parallel the requirements for exchange-traded securities.⁴⁸ Comment is requested as to whether it is necessary or appropriate to require that copies of the schedules be provided to the NASD.

Amendments to Regulation 13D-G are proposed to clarify the number of copies required to be filed. Additionally, Rule 13d-7 would be revised to clarify that a Schedule 13D filed with respect to holdings reported until then on Schedule 13G, and vice versa, does not require an additional fee, if beneficial ownership had not fallen below five percent.⁴⁹ Finally, technical amendments to Schedules 13D and 13G are being reproposed to conform the schedules to the proposed rules and to amend the filing deadlines and the number of copies in the instruction.

H. Effects of Proposed Amendments to Regulation 13D-G

Issue	Current schedule 13D	Proposed schedule 13D	Current schedule 13G	Proposed schedule 13G
Person Filing.	Any person acquiring more than 5% of an equity security. Rule 13d-1(a).	No change	<i>Qualified Institutional Investors</i> —Eligible institutions acquiring more than 5% of an equity security. Rule 13d-1(b). <i>Exempt Investors</i> —Persons holding more than 5% of an equity security who are not subject to, or whose acquisitions are exempt from Section 13(d). Rule 13d-1(c).	<i>Qualified Institutional Investors</i> —Expanded to include control persons of qualified institutions and state and local employee benefit plans. <i>Exempt Investors</i> —No change. <i>Passive Investors</i> —Any person holding more than 5% but less than 20% of an equity security and did not acquire such securities with a purpose or effect of changing or influencing control of the issuer or in a transaction having such effect. Proposed Rule 13d-1(b)(2).
Initial Filing.	Within 10 days after the acquisition. Rule 13d-1(a).	No change	<i>Qualified Institutional Investors</i> —45 days after calendar year in which the person becomes obligated to file, Rule 13d-1(b)(1), or within 10 days after the end of the first month in which such person's beneficial ownership exceeds 10% of the class of equity securities. Rule 13d-1(b)(2). <i>Exempt Investors</i> —45 days after calendar year in which the person becomes obligated to file. Rule 13d-1(c).	<i>Qualified Institutional Investors</i> —No change. <i>Exempt Investors</i> —No change. <i>Passive Investors</i> —Within 10 days after the acquisition. Proposed Rule 13d-1(b)(2).
Amendment.	Filed promptly to reflect any material change including a change in investment intent. An acquisition or disposition of beneficial ownership of securities equal to 1% or more of the class is deemed a material change. Rule 13d-2(a).	No change	<i>All Filers</i> —45 days after the end of the calendar year to report any change in the information. Rule 13d-2(b).	

⁴⁸ Proposed Rule 13d-7(b).

⁴⁹ The Commission has proposed eliminating the filing fee required for Schedules 13D and 13G. See

Exchange Act Release No. 37220 (May 16, 1996) [61 FR 25601]. If such fee is eliminated, Rule 13d-7 will be revised accordingly.

Issue	Current schedule 13D	Proposed schedule 13D	Current schedule 13G	Proposed schedule 13G
Purpose of Acquisition.	Disclose purpose of the transaction. Schedule 13D, Item 4.	No change	<p><i>Qualified Institutional Investors only</i>—In addition to the requirement stated above, within 10 days after the end of the first month in which such person's beneficial ownership exceeds 10% of the class of equity securities, and thereafter within 10 days of the end of any month in which such person's beneficial ownership increases or decreases more than 5%, computed as of the end of the month. Rule 13d-1(b)(2).</p> <p><i>Qualified Institutional Investors</i>—Requires certification that the securities were acquired in the ordinary course of business, were not acquired for the purpose of and not have the effect of changing or influencing control of the issuer, and were not acquired in a transaction having such an effect. Schedule 13G, Item 10. Rule 13d-1(b).</p> <p><i>Exempt Investors</i>—No certification required.</p>	<p><i>Qualified Institutional Investors</i>—No Change.</p> <p><i>Exempt Investors</i>—No change.</p> <p><i>Passive Investors</i>—Same as requirement for persons filing Schedule 13D. Proposed Rule 13d-2(a).</p> <p><i>Qualified Institutional Investors</i>—No change except for a technical change to the certification.</p> <p><i>Exempt Investors</i>—No change.</p>
Initial Schedule 13D following filing on Schedule 13G.	<p><i>Qualified Institutional Investors</i>— Promptly, but no later than 10 days after such person ceases to be an eligible institution or determines that it no longer holds such securities in the ordinary course of business or not with the purpose or effect of changing or influencing the control of the issuer. Rule 13d-1(b)(3).</p> <p><i>Exempt Investors</i>— Within 10 days upon making an acquisition subject to, or not exempt from Section 13(d).</p>	<p><i>Qualified Institutional Investors</i>—No change. Proposed Rules 13d-1(b)(4) and (b)(6).</p> <p><i>Exempt Investors</i>— No change.</p> <p><i>Passive Investors</i>— Within 10 days of: (1) acquiring or holding the securities with the purpose or effect of changing or influencing control of the issuer or in a transaction having such effect. Proposed Rule 13d-1(b)(4), or.</p>	<p><i>Qualified Institutional Investors</i>—Same certification as <i>Qualified Institutional Investors</i> except that acquisitions need not occur in the ordinary course of business. Schedule 13G, proposed Item 10(b). Proposed Rule 13d-1(b)(2).</p> <p>Note: Ability to refile on Schedule 13G once disqualification has lapsed clarified.</p>	

Issue	Current schedule 13D	Proposed schedule 13D	Current schedule 13G	Proposed schedule 13G
Cooling-Off Period.	<p><i>Qualified Institutional Investors</i>—10 day period after the filing of a Schedule 13D because the person no longer holds such securities in the ordinary course of business or not with the purpose or effect of changing or influencing the control of the issuer. Rule 13d-1(b)(3).</p>	<p>(2) the person's beneficial ownership equals or exceeds 20% of the class of equity securities. Proposed Rule 13d-1(b)(5). <i>Qualified Institutional Investors</i>—From the time the person no longer holds the securities without the purpose or effect of changing or influencing control of the issuer until the tenth day from the date the Schedule 13D is filed. Proposed Rule 13d-1(b)(4)(ii). <i>Passive Investors</i>—Same as Qualified Institutional Investors. Proposed Rule 13d-1(b)(4)(ii).</p>		
Standstill Period.		<p><i>Passive Investors</i>—From the time the person's beneficial ownership equals or exceeds 20% of the class of equity securities until the filing of the Schedule 13D. Proposed Rule 13d-1(b)(5).</p>		

III. Initial Regulatory Flexibility Analysis

An Initial Regulatory Flexibility Analysis has been prepared in accordance with 5 U.S.C. 603 concerning the proposed amendments to the beneficial ownership rules and related Schedules 13D and 13G and the proposed amendments to Rules 16a-1(a)(1)(vi) and (vii). The analysis notes that the principal effect of the revisions to Regulation 13D-G will be to reduce the disclosure obligations and associated costs to a majority of persons, including small entities, required to report beneficial ownership under Sections 13(d) and 13(g) of the Exchange Act and would eliminate the reporting obligations under Section 16 of the Exchange Act of certain state and local government employee benefit plans and certain control persons of Qualified Institutional Investors. The analysis also indicates that there are no current federal rules that duplicate, overlap or conflict with the rules and forms to be amended.

As stated in the analysis, alternatives to the proposed amendments were considered, including, among other things, changing or simplifying the compliance or reporting requirements for small entities or exempting small entities from all requirements to file the schedules under Regulation 13D-G. As discussed in the analysis, there is no less restrictive alternative to the proposed rule amendments that would serve the purposes of the beneficial ownership provisions of the Exchange Act.

Written comments are encouraged with respect to any aspect of the analysis. Such comments will be considered in the preparation of the Final Regulatory Flexibility Analysis if the proposed revisions are adopted. A copy of the Initial Regulatory Flexibility Analysis may be obtained by contacting Dennis O. Garris in the Office of Mergers and Acquisitions, Division of Corporation Finance, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

IV. Paperwork Reduction Act

Certain provisions of Regulation 13D-G contain "collection of information" requirements within the meaning of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), and the Commission has submitted proposed revisions to Regulation 13D-G to the Office of Management and Budget ("OMB") for review in accordance with 44 U.S.C. 3507(d) and 5 C.F.R. § 1320.11. The titles for the collections of information are "Schedule 13D" and "Schedule 13G".

The beneficial ownership reporting requirements are intended to provide investors and the subject issuer with information about accumulations of securities that may have the ability to change or influence control of the issuer. Regulation 13D-G currently requires that most persons file a detailed disclosure statement on Schedule 13D upon acquiring more than five percent of the subject securities. Certain qualified institutions (Qualified Institutional Investors) and persons who

have not made an acquisition subject to Section 13(d) (Exempt Investors) may file the short-form disclosure statement Schedule 13G which requires less detailed disclosure than Schedule 13D.⁵⁰

The Commission anticipates that the proposal to make Schedule 13G available, in lieu of Schedule 13D, to all Passive Investors beneficially owning less than 20 percent would reduce the existing information collection requirements associated with Regulation 13D-G and Schedules 13D and 13G. The proposed amendments will allow more individuals and non-institutional investors to file the short-form Schedule 13G. It is estimated that 803 Schedules 13D would be filed each year if the proposals were adopted.⁵¹ Each Schedule 13D would impose an estimated burden of 14.75 hours for a total annual burden of 11,844.25 hours.⁵² It is estimated that 9,065 Schedules 13G would be filed each year if the proposals were adopted.⁵³ Each Schedule 13G would impose an estimated burden of 10 hours for a total annual burden of 90,650 hours.

Providing the information required by Schedules 13D and 13G is mandatory under Sections 13(d) and 13(g) and Regulation 13D-G of the Exchange Act. The information will not be kept confidential. Unless a currently valid OMB control number is displayed on the Schedules 13D and 13G, the Commission may not sponsor or conduct or require response to an information collection.

Pursuant to 44 U.S.C. 3506(c)(2)(B), the Commission solicits comments to: (i) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (ii) evaluate the accuracy of the Commission's estimate of the burden of the proposed collection of information; (iii) enhance the quality,

utility, and clarity of the information to be collected; and, (iv) minimize the burden of collection of information on those who are to respond, including through the use of automated collection techniques or other forms of information technology.

Persons desiring to submit comments on the collection of information requirements should direct the comments to the Office of Management and Budget, Attention: Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Washington, D.C. 20503, and should send a copy to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, with reference to File No. S7-16-96. The Office of Management and Budget is required to make a decision concerning the collection of information between 30 and 60 days after publication of this release. Consequently, a comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication.

V. Cost-Benefit Analysis

No specific data was provided in response to the Commission's original request regarding the costs and benefits associated with amending the filing requirements under Regulation 13D-G.⁵⁴ It appears that making Schedule 13G available to all Passive Investors holding less than 20 percent of subject securities should significantly reduce the reporting costs incurred by those investors. Regulation 13D-G applies to any person that acquires more than five percent of a class of equity securities. Although it is difficult to determine reasonably the number of small entities and the costs to small entities of complying with the proposed amendments, the Commission believes that the proposed amendments would not result in a substantial economic impact to a significant number of small entities but rather should result in a substantial savings to entities (both

small and large) that qualify to file Schedule 13G in lieu of Schedule 13D. The proposed amendments would decrease the disclosure obligations of a significant number of persons currently required to file the long-form Schedule 13D. Based upon data provided by the Commission's Office of Economic Analysis, 76 percent of Schedules 13D studied by that office did not disclose a purpose or effect for changing or influencing control of the issuer and, therefore, would benefit from the amendments proposed today.⁵⁵

In response to comments in connection with the potential increased costs that institutional investors could incur if subject to the 20 percent threshold level, the Commission is not repropounding the amendment with respect to Qualified Institutional Investors.

The Commission again requests commenters to provide views and data as to the costs and benefits associated with amending the filing requirements for beneficial ownership statements.

VI. Request for Comment

Any interested persons wishing to submit written comments on the proposals, to suggest additional changes, or to submit comments on other matters that might have an impact on the proposals, are requested to do so. In addition to the specific inquiries made throughout this release, the Commission solicits comments on the usefulness of the proposed revisions to the Regulation 13D-G reporting scheme and the conforming changes under Section 16 to reporting persons, registrants, and the marketplace at large.

The Commission also requests comment on whether the proposed rules, if adopted, would have an adverse effect on competition or would impose a burden on competition that is neither necessary nor appropriate in furthering the purposes of the Exchange Act. Comments on this inquiry will be considered by the Commission in complying with its responsibilities under Section 23(a)(2) of the Exchange Act.⁵⁶

The Commission also encourages the submission of written comments with respect to any aspect of the initial regulatory flexibility analysis. Such written comments will be considered in the preparation of the final regulatory flexibility analysis if the proposed rules are adopted.

Persons wishing to submit written comments should file three copies thereof with Jonathan G. Katz, Secretary,

⁵⁰ See fn. 13 *supra* for a comparison of the primary differences between the disclosure required by Schedules 13D and 13G.

⁵¹ This estimated number of respondents is based upon the number of Schedules 13D filed in fiscal year 1995 and assumes no increase each year. This represents an estimated 76 percent reduction from the 3,347 Schedules 13D filed in fiscal year 1995. The estimated 76 percent reduction in Schedule 13D filings is based upon the sample data provided by the Office of Economic Analysis.

⁵² Total annual burden hours are determined by multiplying the estimated average burden hours for completing the particular schedule by the estimated number of respondents that file that schedule.

⁵³ This number of respondents is based upon the number of Schedules 13G filed in fiscal year 1995 (6,521) plus the additional 2,544 respondents that are expected to file on Schedule 13G under the proposed rules and assumes no increase each year.

⁵⁴ However, eight commenters expressed general views as to the costs and benefits associated with the amendments, without attempting to quantify either the costs or benefits. Five commenters stated that the proposed amendments would reduce passive filers' reporting burdens and associated costs. Seven commenters expressed concern that the proposed 20 percent limitation upon the availability of Schedule 13G to passive institutional investors would impose increased compliance burdens and costs without providing any useful information to the public. Finally, three commenters believed that requiring Schedule 13G filers to provide each exchange upon which the security is traded a copy of the Schedule would be overly burdensome because such information is not readily available.

⁵⁵ See Section I.B. *supra*.

⁵⁶ 15 U.S.C. 78w(a)(2).

Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments may also be submitted electronically at the following e-mail address: rule-comments@sec.gov. Comment letters should refer to File No. S7-16-96; this file number should be included on the subject line if e-mail is used. All comments received will be available for public inspection and copying in the Commission's public reference room at the same address. Electronically submitted comments will be posted on the Commission's Internet web site (<http://www.sec.gov>).

VII. Statutory Basis and Text of Amendments

The amendments to Rules 13d-1, 13d-2 and 13d-7 and Schedules 13D and 13G and Rule 16a-1 are being proposed pursuant to the authority set forth in Sections 3(b), 13, 16 and 23 of the Securities Exchange Act of 1934.

Lists of Subjects in 17 CFR Part 240

Reporting and recordkeeping requirements, Securities.

Text of Proposed Amendments

In accordance with the foregoing, Title 17, Chapter II of the Code of Federal Regulations is proposed to be amended as follows:

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

1. The authority citation for Part 240 continues to read, in part, as follows:

Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78d, 78i, 78j, 78l, 78m, 78n, 78o, 78p, 78q, 78s, 78w, 78x, 78ll(d), 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 and 80b-11, unless otherwise noted.

2. By amending § 240.13d-1 to revise paragraph (a), the introductory text of paragraph (b)(1), paragraphs (b)(1)(ii)(F) and (G), and paragraphs (b)(2), (b)(3), (b)(4), and (c) and to add paragraphs (b)(5), (b)(6) and (b)(7) to read as follows:

§ 240.13d-1 Filing of Schedules 13D and 13G.

(a) Any person who, after acquiring directly or indirectly the beneficial ownership of any equity security of a class which is specified in paragraph (d) of this section, is directly or indirectly the beneficial owner of more than five percent of such class shall, within 10 days after such acquisition, file with the Commission, a statement containing the information required by Schedule 13D (§ 240.13d-101).

(b)(1) A person who would otherwise be obligated under paragraph (a) of this section to file a statement on Schedule 13D (§ 240.13d-101) may, in lieu thereof, file with the Commission, within 45 days after the end of the calendar year in which such person became so obligated, a short-form statement on Schedule 13G (§ 240.13d-102): *Provided*, That it shall not be necessary to file a Schedule 13G unless the percentage of the class of equity security specified in paragraph (d) of this section beneficially owned as of the end of the calendar year is more than five percent: *And provided further*, That:

* * * * *

(ii) * * *

(F) An employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. 1001 et seq. ("ERISA") which is subject to the provisions of ERISA, or any such plan that is not subject to ERISA that is maintained primarily for the benefit of the employees of a state or local government or instrumentality, or an endowment fund;

(G) A parent holding company or control person, provided the aggregate amount held directly by the parent or control person, and directly and indirectly by their subsidiaries or affiliates that are not persons specified in § 240.13d-1(b)(1)(ii) (A) through (F), does not exceed one percent of the securities of the subject class;

* * * * *

(2) A person who would otherwise be obligated under paragraph (a) of this section to file a statement on Schedule 13D (§ 240.13d-101) may, in lieu thereof, file with the Commission, within 10 days after an acquisition described in paragraph (a) of this section, a short-form statement on Schedule 13G (§ 240.13d-102):

Provided, That such person:

(i) Has not acquired such securities with any purpose, or with the effect of, changing or influencing the control of the issuer, or in connection with or as a participant in any transaction having such purpose or effect, including any transaction subject to § 240.13d-3(b);

(ii) Is not a person reporting pursuant to paragraph (b)(1) of this section; and

(iii) Is not directly or indirectly the beneficial owner of 20 percent or more of such class.

(3) Any person relying on § 240.13d-1(b)(1) or § 240.13d-2(b) shall, in addition to filing any statements thereunder, file a statement on Schedule 13G (§ 240.13d-101), or amendment thereto, within 10 days after the end of

the first month in which such person's direct or indirect beneficial ownership exceeds 10 percent of a class of equity securities specified in § 240.13d-1(d), computed as of the last day of the month, and thereafter within 10 days after the end of any month in which such person's beneficial ownership of securities of such class, computed as of the last day of the month, increases or decreases by more than five percent of such class of equity securities. Once an amendment has been filed reflecting beneficial ownership of five percent or less of the class of securities, no additional filings are required by this paragraph (b)(3) unless the person thereafter becomes the beneficial owner of more than 10 percent of the class, computed as of the last day of the month.

(4)(i) Notwithstanding paragraphs (b)(1), (b)(2) and (b)(3) of this section and § 240.13d-2(b), a person that has reported that it is the beneficial owner of more than five percent of a class of equity securities in a statement on Schedule 13G (§ 240.13d-102) pursuant to paragraph (b)(1), (b)(2) or (b)(3) of this section, or is required to report such acquisition but has not yet filed the schedule, shall immediately become subject to §§ 240.13d-1(a) and 240.13d-2(a) and shall file a statement on Schedule 13D (§ 240.13d-101) within 10 days if, and shall remain subject to such requirements for so long as, such person:

(A) Has acquired or holds such securities with a purpose or effect of changing or influencing control of the issuer, or in connection with or as a participant in any transaction having such purpose or effect, including any transaction subject to § 240.13d-3(b); and

(B) Is at that time the beneficial owner of more than five percent of a class of equity securities described in § 240.13d-1(d).

(ii) From the time such person has acquired or holds such securities with a purpose or effect of changing or influencing control of the issuer, or in connection with or as a participant in any transaction having such purpose or effect until the expiration of the tenth day from the date of the filing of a Schedule 13D (§ 240.13d-101) pursuant to this section, such person shall not:

(A) Vote or direct the voting of the securities described therein; or

(B) Acquire an additional beneficial ownership interest in any equity securities of the issuer of such securities, nor of any person controlling such issuer.

(5) Notwithstanding paragraph (b)(2) of this section and § 240.13d-2(b),

persons reporting on Schedule 13G (§ 240.13d-102) pursuant to paragraph (b)(2) of this section shall immediately become subject to §§ 240.13d-1(a) and 240.13d-2(a) and shall remain subject to such requirements for so long as, and shall file a statement on Schedule 13D (§ 240.13d-101) within 10 days of the date on which, such person's beneficial ownership equals or exceeds 20 percent of the class of equity securities. Until the filing of a statement on Schedule 13D pursuant to this paragraph, such person shall not:

- (i) Vote or direct the voting of the securities described therein, or
- (ii) Acquire an additional beneficial ownership interest in any equity securities of the issuer of such securities, nor of any person controlling such issuer.

(6)(i) Any person who has reported an acquisition of securities in a statement on Schedule 13G (§ 240.13d-102) pursuant to paragraph (b)(1) or (b)(3) of this section and thereafter ceases to be a person specified in paragraph (b)(1)(ii) of this section shall immediately become subject to § 240.13d-1(a) or § 240.13d-1(b)(2) (if such person satisfies the requirements specified in § 240.13d-1(b)(2)), and §§ 240.13d-2 (a) or (b) and shall remain subject to such requirements for so long as, and shall file, within 10 days thereafter, a statement on Schedule 13D (§ 240.13d-101) or amendment to Schedule 13G, as applicable, if such person is a beneficial owner at that time of more than five percent of the class of equity securities.

(ii) Any person that has reported beneficial ownership on Schedule 13G (§ 240.13d-102) pursuant to § 240.13d-1(b)(1) shall file an amendment on Schedule 13G within 10 days of the date that such person determines that it no longer has acquired or holds such securities in the ordinary course of business, *Provided* That such person may continue to file on Schedule 13G pursuant to § 240.13d-1(b)(2).

(7) Any person who has filed a Schedule 13D (§ 240.13d-101) pursuant to paragraph (b)(4), (b)(5) or (b)(6) of this section may again report its beneficial ownership on Schedule 13G (§ 240.13d-102) pursuant to paragraphs (b)(1), (b)(2) or (b)(3) of this section provided such person qualifies thereunder, as applicable, by filing a Schedule 13G (§ 240.13d-102) once the person determines that the provisions of paragraph (b)(4), (b)(5) or (b)(6) of this section no longer apply.

(c) Any person who is or becomes directly or indirectly the beneficial owner of more than five percent of any equity security of a class specified in paragraph (d) of this section and who is

not required to file a statement under paragraph (a) of this section by virtue of the exemption provided by Section 13(d)(6) (A) or (B) of the Act (15 U.S.C. 78m(d)(6)(A) or 78m(d)(6)(B)), or because such beneficial ownership was acquired prior to December 22, 1970, or because such person otherwise (except for the exemption provided by Section 13(d)(6)(C) of the Act (15 U.S.C. 78m(d)(6)(C))) is not required to file such a statement, shall file with the Commission, within 45 days after the end of the calendar year in which such person became obligated to report under this paragraph (c), a statement containing the information required by Schedule 13G (§ 240.13d-102).

* * * * *

3. By amending § 240.13d-2 by revising paragraphs (a), (b), and the note following paragraph (c) to read as follows:

§ 240.13d-2 Filing of amendments to Schedules 13D or 13G.

(a) If any material change occurs in the facts set forth in the Schedule 13D (§ 240.13d-101) required by § 240.13d-1(a) or the Schedule 13G (§ 240.13d-102) filed pursuant to § 240.13d-1(b)(2), including, but not limited to, any material increase or decrease in the percentage of the class beneficially owned, the person or persons who were required to file such statement shall promptly file or cause to be filed with the Commission an amendment disclosing such change. An acquisition or disposition of beneficial ownership of securities in an amount equal to one percent or more of the class of securities shall be deemed "material" for purposes of this section; acquisitions or dispositions of less than such amounts may be material, depending upon the facts and circumstances.

(b) Notwithstanding paragraph (a) of this section, and provided that the person filing a Schedule 13G (§ 240.13d-102) pursuant to § 240.13d-1(b)(1) continues to meet the requirements set forth therein, any person who has filed a Schedule 13G pursuant to § 240.13d-1(b)(1) or § 240.13d-1(c) shall amend such statement within forty-five days after the end of each calendar year if, as of the end of such calendar year, there are any changes in the information reported in the previous filing on that Schedule; *Provided, however*, That such amendment need not be filed with respect to a change in the percent of class outstanding previously reported if such change results solely from a change in the aggregate number of securities outstanding. Once an amendment has been filed reflecting

beneficial ownership of five percent or less of the class of securities, no additional filings are required unless the person thereafter becomes the beneficial owner of more than five percent of the class and is required to file pursuant to § 240.13d-1.

(c) * * *

Note to § 240.13d-2: For persons filing a short-form statement pursuant to Rule 13d-1(b) (1) or (2), see also Rules 13d-1(b) (3), (4), (5), and (6).

4. By amending § 240.13d-7 by revising the section heading, designating the current text as paragraph (a), revising the last sentence of newly designated paragraph (a) and adding paragraph (b) to read as follows:

§ 240.13d-7 Fees for filing Schedules 13D or 13G; Number of Copies; Dissemination.

(a) * * * No fees shall be required with respect to the filing of any amended Schedule 13D (§ 240.13d-101) or amended Schedule 13G (§ 240.13d-102), and no fees shall be required with respect to an initial Schedule 13D or initial Schedule 13G if the filing person previously has filed a Schedule 13D or Schedule 13G reporting beneficial ownership of more than five percent of such class of equity securities and has not subsequently filed an amendment reporting beneficial ownership of five percent or less of such class; *Provided, however*, That once an amendment has been filed reflecting beneficial ownership of five percent or less of such class, an additional fee of \$100 shall be paid with the next filing of that person that reflects ownership of more than five percent.

(b) Schedules filed with the Commission pursuant to §§ 240.13d-1 and 240.13d-2 in paper format shall include a signed original and five copies of the schedule, including all exhibits. One copy of the Schedule filed pursuant to §§ 240.13d-1 and 240.13d-2 shall be sent to the issuer of the security at its principal executive office, by registered or certified mail, and (except with respect to persons filing pursuant to § 240.13d-1(c)) to each national securities exchange or the securities association that operates the automated inter-dealer quotation system where the security is traded or authorized to be quoted.

5. By amending § 240.13d-101 by revising the language preceding the first box on the cover page, and revising the note on the cover page to read as follows:

§ 240.13d-101 Schedule 13D—Information to be included in statements filed pursuant to § 240.13d-1(a) and amendments thereto filed pursuant to § 240.13d-2(a).

* * * * *

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(b)(4), 240.13d-1(b)(5) or 240.13d-1(b)(6), check the following box.

* * * * *

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7(b) for other parties to whom copies are to be sent.

* * * * *

6. By amending § 240.13d-102 by revising the section heading, adding a line for the date of the reportable event following the line for CUSIP Number, revising Instruction A, revising Items 3, 4, and 10, and revising the note at the end of the schedule, to read as follows:

§ 240.13d-102 Schedule 13G—Information to be included in statements filed pursuant to § 240.13d-1 (b) and (c) and amendments thereto filed pursuant to § 240.13d-1(b)(3) or § 240.13d-2.

* * * * *

(Date of Event Which Requires Filing of this Statement)

* * * * *

Instructions. A. Statements filed pursuant to § 240.13d-1(b)(1) containing the information required by this schedule shall be filed not later than February 14 following the calendar year in which the person became obligated to report or within the time specified in § 240.13d-1(b)(3), if applicable. Statements filed pursuant to § 240.13d-1(b)(2) shall be filed not later than 10 days after the event requiring the filing.

* * * * *

Item 3. If this statement is filed pursuant to §§ 240.13d-1(b)(1) or 240.13d-2(b), check whether the person filing is a:

- (a) Broker or dealer registered under section 15 of the Act.
- (b) Bank as defined in section 3(a)(6) of the Act.
- (c) Insurance company as defined in section 3(a)(19) of the Act.
- (d) Investment company registered under section 8 of the Investment Company Act of 1940.
- (e) Investment adviser registered under section 203 of the Investment Advisers Act of 1940.
- (f) Employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. 1001 *et seq.* ("ERISA") which is subject to the

provisions of ERISA, or any such plan that is not subject to ERISA that is maintained primarily for the benefit of the employees of a state or local government or instrumentality, or an endowment fund.

(g) Parent holding company or control person, in accordance with § 240.13d-1(b)(1)(ii)(G).

If this statement is filed pursuant to § 240.13d-1(b)(2), check this box. _____

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned: _____
- (b) Percent of class: _____
- (c) Number of shares as to which such person has:
 - (i) Sole power to vote or to direct the vote _____.
 - (ii) Shared power to vote or to direct the vote _____.
 - (iii) Sole power to dispose or to direct the disposition of _____.
 - (iv) Shared power to dispose or to direct the disposition of _____.

Instruction. For computations regarding securities which represent a right to acquire an underlying security see § 240.13d-3(d)(1).

* * * * *

Item 10. Certification.

(a) The following certification shall be included if the statement is filed pursuant to § 240.13d-1(b)(1):

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and held in the ordinary course of business and were not acquired or held for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired or held in connection with or as a participant in any transaction having such purpose or effect.

(b) The following certification shall be included if the statement is filed pursuant to § 240.13d-1(b)(2):

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired or held for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired or held in connection with or as a participant in any transaction having such purpose or effect.

* * * * *

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7(b) for other parties for whom copies are to be sent.

* * * * *

2. By amending § 240.16a-1 to revise paragraphs (a)(1)(vi) and (vii) to read as follows:

§ 240.16a-1 Definition of terms.

* * * * *

- (a) * * *
- (1) * * *

(vi) An employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. 1001 *et seq.* ("Employee Retirement Income Security Act") which is subject to the provisions of the Employee Retirement Income Security Act, or any such plan that is not subject to the Employee Retirement Income Security Act that is maintained primarily for the benefit of the employees of a state or local government or instrumentality, or an endowment fund;

(vii) A parent holding company or control person, provided the aggregate amount held directly by the parent or control person, and directly and indirectly by its subsidiaries or affiliates that are not persons specified in § 240.16a-1(a)(1) (i) through (vi), does not exceed one percent of the subject class; and

* * * * *

Dated: July 3, 1996.

By the Commission.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17579 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[TN-167-9627b; FRL-5529-2]

Control Strategy: Ozone (O₃); Tennessee

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA proposes to approve an exemption request from the oxides of nitrogen (NO_x) reasonably available control technology (RACT) and NO_x conformity requirements of the Clean Air Act as amended in 1990 (CAA) for the five county Middle Tennessee (Nashville) moderate ozone (O₃) nonattainment area. The NO_x exemption request is based upon the most recent three years of monitoring data, which demonstrate that additional reductions of NO_x would not contribute to attainment of the National Ambient Air Quality Standards (NAAQS). In the

final rules section of this Federal Register, the EPA is approving the exemption request as a direct final rule without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this proposed rule, no further activity is contemplated in relation to this proposed rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

DATES: To be considered, comments must be received by August 12, 1996.

ADDRESSES: Written comments on this action should be addressed to William Denman at the Environmental Protection Agency, Region 4 Air Programs Branch, 345 Courtland Street, NE, Atlanta, Georgia 30365. Copies of documents relative to this action are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day. Reference file TN167-01-9627. The Region 4 office may have additional background documents not available at the other locations.

Air and Radiation Docket and Information Center (Air Docket 6102), U.S. Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460.

Environmental Protection Agency, Region 4 Air Programs Branch, 345 Courtland Street, NE., Atlanta, Georgia 30365. William Denman, 404/347-3555 extension 4208.

Tennessee Department of Environment and Conservation, Division of Air Pollution Control, L & C Annex, 9th Floor, 401 Church Street, Nashville, Tennessee 37243-1531. 615/532-0554

FOR FURTHER INFORMATION CONTACT: William Denman 404/347-3555 extension 4208.

SUPPLEMENTARY INFORMATION: For additional information see the direct final rule which is published in the rules section of this Federal Register.

Dated: June 18, 1996.
A. Stanley Meiburg,
Acting Regional Administrator.
[FR Doc. 96-17646 Filed 7-10-96; 8:45 am]
BILLING CODE 6560-50-P

40 CFR Part 79

[FRL-5532-5]

Registration of Fuels and Fuel Additives: Changes in Requirements, and Applicability to Blenders of Deposit Control Gasoline Additives

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: This document proposes several specific changes to regulations requiring the registration and testing of designated motor vehicle fuels and fuel additives (F/FAs) by their manufacturers. The objectives are to reduce the number of respondents, streamline program requirements, further ease small business burdens, and clarify some specific technical provisions in the existing registration regulations. Included in the proposed group of respondents no longer required to be registered as fuel manufacturers are those who solely blend deposit control additives into gasoline.

DATES: Written comments on the issues presented in this document will be accepted until August 12, 1996.

ADDRESSES: Comments should be sent in duplicate to EPA Air Docket Section (LE-131); Attention: Public Docket No. A-90-07; Room M-1500, 401 M Street S.W., Washington, DC 20460; Phone 202-260-7548 or 7549; FAX 202-260-4000. The docket is open for public inspection from 8:00 a.m. until 5:30 p.m., Monday through Friday, except on government holidays. Previous rulemaking documents and other materials related to this proposal are available in the docket. As provided in 40 CFR part 2, a reasonable fee may be charged by EPA for photocopying services.

FOR FURTHER INFORMATION CONTACT: Jim Caldwell (202-233-9303) or Joseph Fernandes (202-233-9016), U.S. EPA, Office of Mobile Sources, Fuels and Energy Division, Mail Code 6406J, 401 M Street SW, Washington, DC 20460.

Electronic copies of this proposed rule, the regulatory text for this proposed rule, and earlier rulemaking documents related to the F/FA Registration Program are available free of charge on EPA's Technology Transfer Network Bulletin Board System (TTNBBS). For specific instructions,

contact Joseph Fernandes at the phone number or address above. These documents are also available in the public docket referenced above.

SUPPLEMENTARY INFORMATION:

I. Regulated Entities

Regulated categories and entities potentially affected by this action include:

Category	Examples of regulated entities
Industry	Manufacturers of gasoline and diesel fuel. Manufacturers of additives for gasoline and diesel fuel.

This table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be regulated by this action. This table lists the types of entities that EPA is now aware could be potentially regulated by this action. Other types of entities not listed in the table could also be regulated. To determine whether your entity would be regulated by this action, you should carefully examine this preamble and the proposed changes to the regulatory text. You should also carefully examine the existing provisions of the registration program at 40 CFR part 79.

II. Introduction

A. Background

The F/FA registration program is authorized by section 211 of the Clean Air Act (CAA) and codified in 40 CFR part 79. In accordance with CAA sections 211(a) and (b)(1), basic registration requirements applicable to gasoline and diesel fuels and their additives were issued in 1975. These regulations require manufacturers to submit information on their F/FA products, such as the commercial identity, chemical composition, purpose-in-use, and range of concentration, in order to have such products registered by the EPA.

Additional registration requirements, implementing sections 211(b)(2) and (e), were proposed in April 1992 and February 1994 (57 FR 13168 and 59 FR 8886, respectively) and were finalized on May 27, 1994 (59 FR 33042, June 27, 1994). The additional regulations require manufacturers, as part of their F/FA registration responsibilities, to conduct tests and submit information on the health effects of their F/FA products. These requirements are organized within three tiers. Tier 1 requires analysis of the combustion and evaporative emissions of F/FAs and a survey of existing scientific information on the public health and welfare effects

of these emissions. To the extent that adequate test data are not already available (as defined in the regulations), Tier 2 requires manufacturers to conduct specified toxicology tests to screen for potential adverse health effects of the F/FA emissions. Under Tier 3, follow-up testing may be required at EPA's discretion to further evaluate concerns identified in the earlier tiers.

The rule also includes several provisions to reduce the information collection and testing burdens. Among these provisions is a voluntary grouping and cost sharing program which allows manufacturers of similar F/FAs to pool their resources and efforts in complying with the requirements. Special provisions for small manufacturers are also included.

In subsequent sections of this notice, EPA proposes several specific changes to the F/FA registration regulations. These proposals would not impact the overall structure nor (with minor exceptions) the scientific requirements of the current program. Rather, EPA is proposing to revise and/or add certain definitions and provisions, with the intended result of decreasing or, in some cases, removing the requirements altogether for many F/FA registration respondents. EPA believes that the proposed changes would significantly reduce the overall burdens of the F/FA registration program without having an appreciable impact on its monitoring, control, and information collection objectives.

B. Public Participation

EPA desires full public participation in arriving at its final decisions and solicits comments focused specifically on the proposals in this notice. Wherever applicable, full supporting data and detailed analysis should be submitted to allow maximum use of the comments. Written materials already submitted in regard to the issues addressed by these proposals will be fully considered by EPA, and need not be resubmitted in response to this notice. At this time, EPA is not seeking comments on issues other than those specifically addressed in this notice, and is under no obligation to respond to any such comments it may receive. EPA is not planning to hold a public hearing on this proposed rule. However, a hearing will be held if requested within 10 days after publication. Requests for a public hearing should be submitted in writing to Joseph Fernandes at the address provided above.

Any proprietary information being submitted for the Agency's consideration should be markedly

distinguished from other submittal information and clearly labeled "Confidential Business Information." Proprietary information should be sent directly to the contact persons listed above, and not to the public docket, to ensure that it is not placed in the docket. Information thus labeled and directed shall be covered by a claim of confidentiality and will be disclosed by EPA only to the extent allowed and by the procedures set forth in 40 CFR Part 2.

If no claim of confidentiality accompanies a submission when it is received by EPA, it may be made available to the public without further notice to the commenter.

III. Fuel Manufacturer and Additive Definitions

A. Background

Section 211(a) of the Clean Air Act authorizes EPA to designate fuels and fuel additives, and prohibits manufacturers or processors of designated fuels and additives from introducing them into commerce without having them registered. Section 211(b) describes the registration requirement for designated fuels and fuel additives. Pursuant to § 211(b)(1), the manufacturer of any designated fuel or additive must provide EPA with certain identifying information about the fuel or additive to obtain registration. Section 211(b)(2) provides EPA with discretionary authority to require health effects testing information from manufacturers of designated fuels and additives for the purpose of registration.

In the 1977 amendments to the Clean Air Act, Congress included a provision that directed EPA to issue regulations to implement § 211(b)(2). These regulations were issued in May 1994, and included an amendment to EPA's previous definition of fuel manufacturer to include importers. 59 FR 33042 (June 27, 1994). In today's notice, EPA is proposing to amend the definition of fuel manufacturer to exclude parties that add additives in amounts less than 1% by volume of the resulting fuel/additive mixture, and to exclude oxygenate blenders who meet the regulatory definition of a small business. In addition, EPA is proposing to amend the definition of "additive" to exclude substances composed solely of carbon and/or hydrogen.

The term "manufacturer of a fuel or fuel additive" is used in § 211(a), 211(b), and 211(e), but the Act is silent on the definition of "manufacturer" and "additive." Promulgating regulatory definitions of "fuel manufacturer" and

"additive" for purposes of implementing these subsections is within the Agency's discretion to interpret the statute it administers where that statute is silent with respect to a specific issue. See *Chevron U.S.A., Inc. v. NRDC*, 467 U.S. 837 (1984). A clear definition of "fuel manufacturer" is necessary for EPA to implement its authority effectively under § 211(a), (b), and (e), and to provide certainty as to which parties are subject to statutory requirements that apply to fuel manufacturers. In addition, it is necessary for EPA to define "additive" to clarify which products are covered by EPA's regulations under § 211(e) covering registration and health effects testing requirements.

EPA believes it is reasonable and appropriate to define "fuel manufacturer" to exclude parties that add additives in amounts less than 1% by volume of the resulting fuel/additive mixture. The health effects information that such parties would be required to submit will also be obtained from the manufacturers of the additive, who would not be exempted under the proposed amendment. Therefore, excluding these parties from the definition of fuel manufacturer would reduce the generation and collection of duplicative information. For similar reasons, EPA also believes it is reasonable and appropriate to define "fuel manufacturer" to exclude oxygenate blenders who meet the regulatory definition of a small business. As discussed below, EPA believes that it is reasonable and appropriate to define "additive" to exclude substances composed solely of carbon and/or hydrogen.

According to § 79.1, the F/FA registration regulations apply to all manufacturers of designated fuels and fuel additives. Designated F/FAs, specified in §§ 79.30-79.33, are currently limited to motor vehicle gasoline and diesel fuels and to additives intended for use in these fuels. The applicable definition of a "fuel manufacturer" is provided in § 79.2(d):

Fuel manufacturer means any person who, for sale or introduction into commerce, produces, manufactures, or imports a fuel or causes or directs the alteration of the chemical composition of, or the mixture of chemical compounds in, a bulk fuel by adding to it an additive.

The comprehensiveness of this definition has led to some redundancy in registration requirements. It has also led to problems and confusion arising from the fact that registration and testing responsibilities are sometimes transitive, i.e., they pass along from one manufacturer to another, generally from

bulk additive manufacturers to their fuel manufacturer customers. A number of manufacturers have contacted EPA about these problems (e.g., see docket items VI-D-01, VI-D-05, VI-D-06, and VI-D-11).

For example, terminal owners and others who buy and blend bulk additives into fuel are, according to the definition cited above, fuel manufacturers.¹ These parties are therefore subject to the product registration and testing responsibilities applicable to fuel manufacturers. Under the current regulations, they are required to register their fuel products, including the identity, purpose, and amount of bulk additive(s) which they blend (or intend to blend) into the fuel. Furthermore, they are responsible for any testing applicable to the resulting fuel/additive mixture, or for participating in one or more testing groups based on the composition of this mixture. In effect, their registration and testing responsibilities, and their grouping and cost-sharing opportunities, are defined by the composition of the bulk additives they mix into fuel, though in many instances they may not even know the actual composition of the additive products they buy and use.

The transitivity of registration and testing requirements from additive manufacturers to their fuel manufacturer customers has caused the number of parties subject to registration requirements to multiply and has led to confusion among the various parties along the F/FA production-blending-distribution chain. It may also have unintended effects on the F/FA commercial marketplace. In some cases, for example, blenders may stop using certain kinds of additives rather than incurring the responsibilities of a fuel manufacturer, or may switch from their traditional suppliers to new suppliers based on the grouping properties (set forth in § 79.56) of the competing additives. A particularly awkward result may occur when the direct manufacturer of an additive is exempt from testing requirements under the program's small business provisions (§ 79.58(d)), but the fuel manufacturers who buy and blend the additive into fuel do not qualify for the exemption and must still test the additive/fuel mixture. To keep their customer base, some small manufacturers of "atypical"

additives (defined in § 79.56(e)) state that they may find it necessary to waive their small business exemptions and shield their customers from additive testing requirements by fully funding the testing themselves (see, for example, docket item VI-D-06). Clearly, this outcome would undermine the special allowances which EPA intended to grant to small businesses. A revised § 79.58(d)(3) is proposed to remedy this situation, by exempting a fuel manufacturer from Tier 2 requirements for the use of an additive which is exempt from Tier 2.

Another problem associated with the definition of "fuel manufacturer" has arisen as a result of a recent change in the definition of "fuel additive". The final rule which added health effects testing to the registration requirements for F/FAs (59 FR 33042) also changed the definition of an additive, as specified in § 79.2(e). Previously, substances composed solely of carbon and/or hydrogen had been specifically excluded from the definition of an additive,² and thus did not have to be registered. Since these substances were not considered additives, parties which blended them into fuels were not considered fuel manufacturers and were not subject to the F/FA registration requirements on the basis of that blending activity.

Recognizing that all-hydrocarbon substances may have toxic properties, the new rule removed the exclusion of all-hydrocarbon substances from the definition of an additive. At the time, EPA was particularly concerned about potential increased use of benzene and other aromatic hydrocarbon additives. However, the change in the definition of an additive has raised some unintended concerns. Under the new definition, hydrocarbon fuel blending stocks (e.g., kerosene, butane, propane), commonly used on a seasonal basis to change the evaporative or flow properties of conventional fuels, could now be considered as additives. Thus, parties which blend these fuel substances into gasoline or diesel fuel could be considered to fit the definition of "fuel manufacturer." Potentially, hundreds of additional parties could be required to register as F/FA manufacturers, creating a substantial regulatory paperwork burden while providing little incremental information to EPA. This was not EPA's intent. Furthermore, the concern about benzene and other aromatics, which originally motivated EPA to delete the all-hydrocarbon

exclusion from the additive definition, has now been largely addressed by the reformulated gasoline/anti-dumping rules and other regulatory mechanisms which limit the aromatic composition of gasoline and diesel fuels. In sum, therefore, the change in the additive definition has created a potentially large number of unintended new "fuel manufacturer" respondents among those who add commonplace blending stocks to gasoline and diesel fuels, while achieving little in regard to EPA's original intent.

A substantial number of registrants is composed of persons who fit the definition of "fuel manufacturer" because they blend ethanol into gasoline. In the case of oxygenates other than ethanol, the oxygenate is generally added to gasoline at the fuel refinery, before the gasoline is distributed through the pipeline. These "upstream" oxygenate blenders tend to be relatively limited in number, and often are large fuel manufacturing businesses. Ethanol, on the other hand, is generally prohibited from transport through the pipeline (pipeline policy, technical reasons), and must be added to the fuel downstream. Thus, rather than being blended by relatively few fuel refiners, ethanol is added to fuel by large numbers of terminal operators, fuel haulers, and some fuel retailers. Many such ethanol blenders qualify as small businesses under the definition in § 79.58(d)(2) and thus are excused from the Tier 1 and Tier 2 health effects testing provisions of the F/FA registration regulations. Nevertheless, as fuel manufacturers, they must still comply with the basic reporting requirements of the F/FA registration program. This combination of circumstances maintains a significant paperwork burden for such respondents, while adding little information to EPA in regard to oxygenated fuels beyond that which is currently available through other program reporting mechanisms.

B. Proposed Changes

EPA proposes to address the problems summarized above by modifying the definitions of "additive" and "fuel manufacturer." First, EPA proposes to revise the current definition of an additive (at § 79.2(e)) to exclude substances composed solely of carbon and/or hydrogen, thus reinstating the definition which was in effect prior to the final rule of May 27, 1994. As described previously, this action would provide regulatory relief to perhaps hundreds of companies which are now considered "fuel manufacturers" because they add common hydrocarbon

¹ However, independent terminal operators which blend additives into their customers' fuels at the specific direction of such customers are not considered fuel manufacturers. Also, end users, such as fleet owners/operators who blend additives into bulk fuel for their own fleet use, are not considered fuel manufacturers.

² The presence of trace contamination with elements other than carbon and hydrogen did not factor into this exclusion.

stocks to finished fuels. It should be noted that persons who blend hydrocarbon stocks together to produce a usable motor vehicle fuel (rather than adding hydrocarbons to a finished fuel) would continue to be considered fuel manufacturers.

Second, EPA proposes to add provisos to the definition of a fuel manufacturer (at § 79.2(d)) such that the addition of a small volume of any additive³ to fuel would not in itself cause any party to be considered a fuel manufacturer, nor would the addition of an oxygenating additive by a party qualifying for the small business provisions of the registration program. The proposed new definition of a fuel manufacturer is as follows:

Fuel manufacturer means any person who, for sale or introduction into commerce, produces, manufactures, or imports a fuel or causes or directs the alteration of the chemical composition of a bulk fuel, or the mixture of chemical compounds in a bulk fuel, by adding to it an additive, except that (1) a party who adds a quantity of additive(s) amounting to less than 1.0 percent by volume of the resultant additive(s)/fuel mixture is not thereby considered a fuel manufacturer, and (2) a party who qualifies as a small business under the criteria in § 79.58(d)(2) of this subpart, and who adds an oxygenate compound(s) to fuel is not thereby considered a fuel manufacturer.

This proposed definition would significantly reduce the number of F/FA registration respondents and would address the problems described above that result from the "transitivity" of registration and testing requirements under the current regulations. Under this definition, the addition of most "baseline" and "atypical" additives at ordinary treatment rates would not cause the blending party to be a fuel manufacturer because such additives are added in amounts less than 1% of the resultant mixture. In the general case, parties which add oxygenates to fuel, in an amount sufficient to produce a fuel mixture categorized as non-baseline,⁴ would still be considered fuel manufacturers. EPA believes this to be appropriate because the relatively large added volumes can cause substantive changes in the basic characteristics, emission properties, and toxic potential of the fuel. However, to reduce the number of respondents required only to submit redundant registration

³ Of course, the additive itself must still be registered.

⁴ As specified in § 79.56(e)(3)(I) and (ii), non-baseline F/FAs contain (among other criteria) no elements in addition to carbon, hydrogen, oxygen, nitrogen, and sulfur, and, in the case of gasoline F/FAs, contain 1.5 percent or more oxygen by weight, and, in the case of diesel F/FAs, contain 1.0 percent or more oxygen by weight.

paperwork, the proposed definition of a fuel manufacturer excludes oxygenate blenders who qualify for the small business provisions of the registration program (chiefly, small ethanol blenders).

For convenience, it is proposed that the definition of "oxygenate compound" at 40 CFR 79.50 also be incorporated at 40 CFR 79.2(k). EPA requests comments on the proposed changes to the definitions of "additive" and "fuel manufacturer."

C. Relationship to the Gasoline Detergent Additive Program

An interface exists between the F/FA registration program and the detergent additive program.⁵ In order to avoid duplicate reporting requirements, the detergent additive program interim regulations in 40 CFR Part 80 make use of the existing F/FA registration system as the mechanism for collecting much of the information required of detergent additive blenders. However, if the definition of a fuel manufacturer is changed as proposed above, then detergent additive blenders would no longer be considered fuel manufacturers and would no longer be required to register under the F/FA registration program. Thus, the source of information on which EPA relies for the interim detergent additive program would no longer be available. However, as will be discussed in the upcoming final detergent rule, EPA has concluded that this information is no longer necessary. Therefore, there would be no adverse effect on the detergent additive program.

IV. Small Business Definition

In the F/FA registration program, qualification for special small business provisions is based in part on total annual sales revenue, specifically, a \$50 million limit for manufacturers of baseline and non-baseline F/FAs, and a \$10 million limit for manufacturers of atypical F/FAs (see §§ 79.58(d) (2) and (3), respectively). Communications from trade organizations which represent fuel retailers (docket item VI-D-05) suggest that these total sales criteria should be revised to take tax effects into account. These organizations point out that sales and excise taxes accumulate as the fuel passes along the refining-distribution-marketing chain, but are generally not

⁵ Regulation of Fuels and Fuel Additives: Standards for Deposit Control Gasoline Additives. Proposed Rule: 59 FR 64213, Dec. 6, 1993. Interim Program Final Rule: 59 FR 54678, Nov. 1, 1994. Certification Program Final Rule expected in 1996. These documents are available on EPA's TTNBBS bulletin board. See "For Further Information. . ." at the beginning of this notice.

included in the price paid for the fuel (nor in the gross sales revenue of the seller) until the fuel is marketed at the retail level. In some instances, the accumulated sales and excise taxes on fuel, including applicable taxes at the local, state, and federal levels, may exceed 40 percent of the price paid by consumers, and thus represents a comparable portion of the retailer's fuel-related sales revenues. The commenters argue that, since these tax effects are not reflected in the small business definition, small marketers are disadvantaged in comparison with small refiners and other upstream businesses.

EPA agrees and proposes that the term "total annual sales" at § 79.58(d) be modified by adding the following: "excluding any revenue which represents the collection of federal, state and/or local excise taxes and/or sales taxes". A revised § 79.59(b)(5)(ii) is proposed to require the submittal, at EPA's request, of applicable bills of lading or other valid documentation to support the legitimacy of any fuel sales amounts excluded as taxes. Comments are requested concerning these proposed revisions.

V. Biodiesel Provisions

Biodiesel fuels and most blends of bio- and conventional diesel fuel contain more than 1.0 weight percent oxygen and thus, according to § 79.56(e)(3)(ii)(B), fall into the non-baseline diesel category. Furthermore, under § 79.56(e)(4)(ii)(B)(2), biodiesel fuels derived from vegetable oil ("mixed alkyl esters of plant origin") are grouped separately from biodiesel fuels derived from animal fat ("mixed alkyl esters of animal origin").

EPA established these two separate biodiesel groups because of concern that the composition of animal-derived and vegetable derived fuels might differ considerably, and thus might demonstrate different toxicologic properties. Both vegetable oil and animal fat are composed of triglycerides, and the esterification process used to convert the triglycerides to fuel (i.e., methyl esters) is the same for both. However, up to 3.0 percent of the resulting chemical mixture is composed of nonesterified reactants, other reaction products, and possible contaminants, and EPA has been concerned that these could vary significantly between the different feedstocks.

In subsequent communications with EPA (docket item VI-E-01), representatives of the industry have asserted that the composition of biodiesel fuels of animal and plant origin have similar physical properties. As a result of their arguments, EPA is

considering a change to the grouping rules which would permit animal- and vegetable-derived biodiesel fuels to be grouped together.⁶ A revised § 79.56(e)(4)(ii)(B)(2) is proposed. EPA requests comments on this potential action. Data demonstrating the qualitative and quantitative differences between biodiesel fuels from different feedstocks, including the identity and amount of contaminants, would be particularly helpful to EPA's determination of the most appropriate grouping rules for these fuels. Available data comparing the speciated emissions of these fuels would also be of interest.

Section 79.56(e)(4)(ii)(B)(2)(ii) of the current regulations contains generic requirements for choosing the representative to be used in testing for the health effects of biodiesel and other defined groups of oxygenating compounds. EPA is considering a requirement specific to biodiesel which would require that 100 percent biodiesel fuel be used as the biodiesel group's test representative. This would maximize the likelihood of detecting any differences in the emissions and/or toxicologic properties between conventional diesel and biodiesel fuels. Under the existing regulations, it is likely that a 20 percent biodiesel formulation will be selected as the test representative; thus, lower exposures to biodiesel emissions would occur during the testing. On the other hand, a 20 percent formulation does currently appear to be the more likely formulation to be introduced into commerce, at least in the near future. Thus, EPA requests comment on which biodiesel fuel specification (20 percent, 100 percent, or some other percentage) would be most appropriate in the context of the testing program. Comments are also requested on the practicality of each option with respect to test vehicle/engine compatibility.

VI. Synthetic Fuel Provisions

A. Background

According to §§ 79.56(e)(3)(I)(B) and (3)(ii)(B), a fuel derived from any synthetic crude source, such as shale, coal, or tar sands, is assigned to a non-baseline category. The regulation does not specify a minimum amount of

synthetic component which would cause a fuel to fall into the non-baseline category. Sections 79.56(e)(4)(ii)(A)(3) and (ii)(B)(3), for gasoline and diesel F/FAs respectively, define separate non-baseline groups for "formulations derived from each particular non-conventional petroleum source *or process*" (italics added for emphasis), and lists the following types of fuel formulations as examples of such groups: "coal-derived formulations; chemically-synthesized formulations (including those using recycled chemical or petrochemical products); tar sand-derived formulations; shale-derived formulations; and other types of soil-recovered products used in formulating (fuel)".

Since publication of these regulations, EPA has received communications and information from the affected industry (see docket items VI-D-02 and VI-D-03) claiming that synthetic fuels should be categorized as baseline rather than non-baseline products. They point out that the current regulations do not reflect the fact that finished motor vehicle fuels are rarely, if ever, refined solely from synthetic crude. Rather, when synthetic crude is used, it generally comprises a relatively small fraction (e.g., 10-15 percent) of the total crude which is refined into motor vehicle fuel. Moreover, the industry claims that such fuels, once refined, are not significantly different from conventional fuels. They are not labeled differently or stored separately from fuels derived wholly from conventional crude sources. In fact, they are commonly distributed by way of the conventional fuel pipeline system. Downstream parties may therefore buy and sell, additize, and otherwise handle fuels with some synthetic derivation, without even knowing when or if this is the case.

The F/FA registration program covers only designated motor vehicle fuels and their associated additives. It does not require the registration of crude feedstocks from which these F/FAs are made. Thus, in the case of conventional fuels, it is not the entity which takes crude oil from the ground who is responsible for fuel registration; rather, it is the entity which refines finished fuel from crude oil who is required to have that fuel registered prior to placing it in commerce.⁷ Similarly, synfuel registration is not the responsibility of parties who mine (or otherwise obtain) a synthetic crude source and subject it to upgrading and purification processes

prior to actual fuel refining. Only after the synthetic crude is refined (alone or as part of a synthetic/conventional crude mixture) is the product subject to registration.

Clearly, the responsibility for registering synfuel falls to those business entities (usually fuel refiners) which are the first parties along their respective production chains to introduce into commerce a designated motor vehicle fuel derived in whole or in part from a nonconventional source, and conforming to standard specifications for the designated fuel. These manufacturers are responsible for testing the synfuel products they have had registered. Thus it is incumbent on these manufacturers to take steps to determine if any of the materials from which they produce designated fuels are of synthetic origin. Under the current grouping provisions, those who manufacture synfuel derived from the same non-conventional source are able to form testing groups within the applicable (gasoline or diesel) non-baseline categories.

B. Proposed Changes

In the event that such synfuel groups are formed, the current regulations do not contain adequate guidelines for choosing synfuel group representatives. To facilitate detection of differences between a synthetic fuel and the respective conventional fuel, EPA proposes that, for any synfuel group, the representative should be a fuel derived totally from the relevant synthetic source. If production of a useable 100 percent synfuel is impractical, then the group representative could be a fuel reflecting the highest percentage of syncrude feedstock that is practical and suitable for operating the relevant engine type. Revised §§ 79.56(e)(4)(ii)(A)(3)(ii) and (B)(3)(ii) are proposed. Alternatively, the synfuel group representative could be specified as a fuel reflecting the highest percentage of synthetic crude which is actually input to any member refinery's crude distillation unit(s). The test fuel would otherwise be required to conform to the additization requirements and any other relevant base fuel specifications in § 79.55. Comments on these proposals for selecting synfuel group representatives are requested.

EPA also requests comments on some potential changes to the synfuel grouping rules themselves. First, EPA proposes to delete the phrase "...or process" from §§ 79.56(e)(4)(ii)(A)(3) and (ii)(B)(3) of the registration regulations. The inclusion in these sections of non-conventional *processes* in addition to non-conventional *sources*

⁶ It is important to note that, notwithstanding any grouping arrangements permitted under the program's grouping rules, EPA retains the authority in § 79.54(a) to require Tier 3 testing either on an individual or group basis, and to require different representative(s) of a group to be tested than may have been tested at the Tier 1 and/or Tier 2 level. Thus, even if the regulations were to be changed to allow biodiesel fuels to group together, EPA would not be precluded from requiring vegetable-derived and animal-derived biodiesel fuels to undergo separate Tier 3 testing.

⁷ Of course, this distinction is moot if the two activities are accomplished by the same business entity.

as delineators of non-conventional fuels is potentially misleading. For example, the current language can be interpreted as meaning that heavy, but otherwise conventional crude feedstocks should be considered non-conventional (and therefore non-baseline) because they need slight modification prior to sale and transport. The proposed changes at §§ 79.56(e)(3)(l)(B) and (3)(ii)(B) to delete the phrases "heavy oil deposits" would narrow these provisions so that they focus on fuels of greater concern to EPA, i.e., fuels derived from non-conventional sources, not from mechanical or chemical production processes on otherwise conventional feedstocks. Comments are requested on this proposed revision.

In developing the current regulations, EPA sought to segregate non-conventional fuels into separate non-baseline groups because of concerns that they were likely to contain unknown contaminants and relatively high levels of trace or background elements. However, limited published information and other data received from the industry suggest that, after processing, some mined syncrude feedstocks may not be significantly different from more conventional crudes.

Because they must be compatible with conventional refinery processes and must be fungible with conventional fuels, synthetic crudes are reportedly subjected to extensive upgrading to remove heavy residual oils ("tank bottoms"), sulfur, inorganic elements, organo-metallic compounds, and clays prior to shipping to refineries. In preparing its product for sale, the syncrude manufacturer typically subjects the mined material to de-salting and coking processes (to remove metal contaminants) and atmospheric and vacuum distillations (to remove tank bottoms and asphaltic residues). Limited product assay results provided to EPA (docket item VI-D-02) indicate that syncrude feedstocks may be lower than typical petroleum crudes in vanadium, nickel, and iron. The industry monitors these characteristics because several catalytic refinery processes are intolerant of metallic contaminants.

For these reasons, EPA is considering options that would further ease or, possibly, remove some of the current provisions which distinguish some fuels derived from synthetic sources from conventional petroleum fuels. Substantive comments and additional data are needed to help EPA decide whether any of these additional options should be adopted and, if so, to which crude sources they should apply (i.e., some or all mined crude sources, other

petrochemical crude sources, or all types of crude feedstocks).

One alternative provision under consideration would permit a synfuel manufacturer (or group) to submit the results of a thorough chemical analysis of the raw synfuel in conjunction with the Tier 1 emission characterization data. This special analysis would emphasize the identification of elevated levels of trace elements or compounds as compared with the base fuel for the respective fuel family. The data would need to include sufficient numbers of fuel samples to be viewed as a valid sampling of the range of the particular crude feedstock and, likewise, would need to cover a broad range of measurable feedstock characteristics. Based on the special Tier 1 analysis, EPA would determine, on a case-by-case basis, whether the synfuel in question should be permitted to join the baseline group for purposes of Tier 2, or whether the synfuel would continue to be categorized as non-baseline.

Another possibility under consideration would simply delete some or all synthetic crude sources from the list of non-conventional sources. This would mean that fuels from these feedstocks would be classified as baseline products. This choice would recognize that it is in the vital interest of the fuels industry to continue to monitor the quality of the synfuels that are transported in the existing pipeline systems. The demands of fungibility would thus be assumed to maintain the quality and similarity of syncrude products on a par with that of more conventional F/FAs.

Comments are requested on these possible provisions. To the degree that such comments are substantive and provide objective data supporting these alternative provisions, EPA may be more persuaded that its original concerns about synfuel composition may have been exaggerated. Comments are also requested on whether shale-derived synfuels should continue to be categorized as non-baseline, even if fuels from other mined sources (coal, tar sands) are re-categorized as baseline.

C. Other Alternatives

Under a different approach, the grouping system's current definition of synthetic fuels would be retained, but a particular manufacturer's synfuel product would be categorized as baseline or non-baseline depending on the proportion of synthetic crude represented in the finished product. As mentioned earlier, the current F/FA regulations do not establish a minimum amount of synthetic crude feedstock which causes a fuel to be categorized as

non-baseline. Given the variability in syncrude proportion and the apparent fungibility of many synfuel products with conventional fuels, such a minimum would appear to be appropriate. Under this approach, for example, EPA could specify that a synfuel product will be considered non-baseline only if more than 15 percent by volume of the crude unit charge (i.e., the input to a refinery's crude distillation unit(s)) is composed of synthetic crude or mixed synthetic-conventional crude feedstock.⁸ The choice of 15 percent as the cutoff volume would mean that most of the synfuels produced today would be classified as baseline. Since their manufacturers could thus join the respective baseline group(s), it is likely that some types of synfuel would not routinely undergo testing.⁹ In practice, any cutoff point adopted in the regulations would probably function as a cap on the syncrude proportion used by synfuel manufacturers.

As a variation on this approach, different baseline/non-baseline cutoff points could be established for different kinds of synfuels. Under this variation, fuels containing more than 15 percent content derived from mined sources (e.g., coal, shale, and tar sands) would be considered non-baseline, while fuels containing more than 2 percent content derived from other petrochemical sources (e.g., used motor oils, recovered chemical spills, recycled plastics, and industrial waste streams) would be considered non-baseline. Other cutoff points might also be appropriate.

EPA requests comment as to the appropriateness of using 15 percent of crude unit charge as the cutoff point for all syncrude feedstocks in determining whether a fuel belongs in a non-baseline group. Comments are also requested on the alternative approach of setting different cutoff points for different types of synfuel. Suggestions for other cutoff points than the ones discussed above, with support and justification for such suggestions, are welcome. In addition, EPA requests information on the amount of syncrude typically represented in synfuels as they leave the refinery, as well as the usual maximum amount of syncrude used in such fuels today. Information is also sought on any differences in these formulation

⁸This statement assumes there are no other conditions (e.g., high oxygen content) that would cause the fuel to be non-baseline.

⁹However, under the Tier 3 provisions of the F/FA registration regulations, EPA could still require any emission speciation and/or health effects testing it deems necessary if, at some future time, EPA finds that a synfuel or other F/FA is not well represented by the test fuel designated to represent its F/FA group.

practices which may occur as a function of the type of syncrude in question.

VII. De Minimis Provisions

A. Background

In the NPRM published April 15, 1992, EPA raised the possibility of setting *de minimis* levels for some atypical F/FAs,¹⁰ i.e., maximum concentrations or emission rates for atypical elements below which the manufacturers of F/FAs containing such elements would be excused from some or all of the testing requirements for the product. EPA recognized that the extra emission testing requirements proposed for atypical F/FAs and the relatively scarce grouping opportunities among such products could subject manufacturers of atypical F/FAs to considerably higher registration costs than other manufacturers. *De minimis* provisions were discussed as a possible way to reduce these burdens when atypical F/FAs could reasonably be anticipated to have no adverse effects on the public health or the environment (i.e., having no incremental effects relative to the effects of the associated base fuel). The proposed *de minimis* provision would be limited to specific atypical elements which were generally regarded as not producing overt toxicological effects when inhaled and were present in the product and its emissions in very low quantities.

When the F/FA test rule was promulgated in May 1994, however, these special *de minimis* provisions were not finalized. EPA noted that very little speciated chemical compound information was available on atypical F/FAs or their emission products, from which possible atypical F/FA candidates and *de minimis* levels could be identified. Likewise, little data existed regarding the potential toxicities, exposures, or health risks associated with atypical F/FAs or their emissions. Finally, there was a concern that, in promulgating *de minimis* levels for atypical elements, EPA's actions would be misinterpreted as setting "safe" levels for exposure to various atypical compounds when, in fact, very few applicable, reliable health and safety exposure standards exist for any of the substances of concern.

However, the practical effect of not promulgating *de minimis* levels for some atypical F/FAs has been to subject all atypical F/FAs to the same level of scrutiny, even though the overall level

¹⁰In the gasoline and diesel fuel families, an atypical F/FA is one which contains one or more elements other than carbon, hydrogen, oxygen, nitrogen, and/or sulfur.

of concern about their potential health effects may be markedly different. Thus, under the existing regulations, manufacturers of F/FAs containing such unlike elements as, say, mercury and sodium each have to comply with the same detailed emissions characterization and health effects testing requirements under the same set of conservative assumptions.

In an attempt to improve this outcome, EPA is thus again proposing a *de minimis* provision. This proposed provision, described in the next section, differs somewhat from the previous *de minimis* proposal; however, it does not solve all of the original objections. Reliable quantitative data on the toxicity of most atypical F/FAs and their emission products is still lacking. Nevertheless, the proposal described below is conservative in approach and applicability, and EPA believes it to be a reasonable and prudent alternative to the current program, which allows for no distinctions to be made based on the anticipated health effects and exposures associated with substances which, in fact, vary greatly in chemical composition and rate of usage.

EPA wishes to emphasize once again that, in proposing *de minimis* provisions for certain atypical F/FAs, the Agency is *not* setting a safety level for these F/FAs or their emissions that is meaningful or valid outside a very limited context. The proposal recognizes that a relatively lower level of overall health-related concern exists for some of the atypical elements used in F/FAs, especially under limited exposure conditions at very low concentrations.¹¹ The relatively low production volumes of most atypical F/FAs means that the population at large would potentially be exposed to exceedingly small amounts of the elements for which EPA is proposing to set *de minimis* levels, particularly after they undergo combustion in motor vehicle engines and the emissions are diluted in air. In combination, these factors make it extremely unlikely that the proposed *de minimis* provisions

¹¹ However, recent studies suggest that pulmonary injury may be caused by inhalation exposure to substances generally regarded as biologically inactive, if the exposure to such substances is in the form of "ultrafine" particles (less than 20nm). See, for example, Oberdörster, G., et al., "Role of the Alveolar Macrophage in Lung Injury: Studies with Ultrafine Particles," *Environmental Health Perspectives*, 97: 193-199, 1992. While testing to detect the potential occurrence of ultrafine particles of atypical elements in F/FA combustion emissions is outside the scope of Tiers 1 and 2, such testing could be required under Tier 3 if deemed necessary by EPA. EPA's authority to require such testing would not be affected by any *de minimis* provision for which a fuel or additive might otherwise qualify.

could result in adverse public health or welfare outcomes. Nevertheless, should such concerns arise in the future, the proposed *de minimis* provisions would in no way limit EPA's flexibility under its Tier 3 testing authority to require additional emission characterization and/or toxicologic testing of any affected F/FA, and to take any follow-up regulatory action warranted by the results.

B. Proposed Provisions

1. Selection of Elements

A number of atypical elements are reported by their manufacturers to be components of one or more F/FAs occurring on EPA's F/FA registration database.¹² EPA is today proposing *de minimis* provisions applicable to the following nine atypical elements:

Aluminum (Al)
Boron (B)
Calcium (Ca)
Sodium (Na)
Zinc (Zn)
Magnesium (Mg)
Phosphorus (P)
Potassium (K)
Iron (Fe)

These nine elements were selected by evaluating a number of factors. First, any element (alone or in compound form) known or believed to have significant inhalation-related health effects or to be a precursor to emission species of particular concern was eliminated as a candidate for the *de minimis* provision. For example, elements in the halogen family were eliminated because of their occurrence in toxic chemical species (e.g., halogenated methane compounds) and/or their potential role in forming dioxin and dioxin-like compounds. Other examples include manganese, mercury, tin, and lead, which were eliminated from consideration because of their neurologic effects, and cobalt, platinum, silicon, and antimony, which were eliminated because of concerns about their potential respiratory effects in some chemical forms.

EPA also examined any existing exposure assessment values which may exist for the atypical elements (or compounds containing them), including industrial exposure guidelines such as Threshold Limit Value (TLV), Permissible Exposure Limit (PEL),

¹² These elements occur on EPA's F/FA registration database as constituents of some diesel F/FAs, or in aftermarket gasoline additives which were "grandfathered" when restrictions on such atypical elements were implemented. These "grandfathering" provisions were previously reviewed in the NPRM and Reopening Notices for the F/FA Registration rulemaking (see 57 FR 13168 and 59 FR 8886).

Recommended Exposure Limit (REL), and Health Effects Assessment Summary Table (HEAST) values. Recognizing that none of these values is specifically intended for use in estimating the toxic potential of long-term continuous exposures to the general population, EPA looked at them only as general, relative indicators of potential toxicity, to be viewed in conjunction with each other and subject to conservatively-applied scientific judgment. In this way, EPA divided the atypical elements into two groups. For one group, containing the nine elements listed above, it appeared that limited exposures to ambient concentrations of at least 0.1 milligrams of the elements per cubic meter of air (mg/m^3) could occur without raising appreciable concerns. For all the remaining atypical elements, specific public health and/or welfare effects issues were identified and/or the exposure assessment values generally indicated that health-related concerns may arise at exposure levels considerably lower than $0.1 \text{ mg}/\text{m}^3$. EPA decided that *de minimis* provisions would therefore not be proposed to apply to any of the elements in the latter group.

EPA requests comments on the appropriateness of establishing a *de minimis* provision for atypical F/FAs, given the acknowledged lack of reliable quantitative toxicity data for most of the substances concerned. Specific comments are also requested on the approach described above for differentiating between high- and low-concern atypical elements, and on the nine elements proposed as candidates for the potential *de minimis* provision. Should some of these nine elements be deleted from the list?

2. *de minimis* Level

The *de minimis* provision could theoretically be structured to apply either to (1) the amount of an atypical element in the "raw" state (i.e., in the uncombusted fuel/additive mixture), or (2) the amount occurring in the combustion emissions. While the emissions approach might appear to provide a more direct measurement of the substances of concern, EPA believes that, in this instance, the raw mixture approach provides a simpler and ultimately more effective mechanism for manufacturers to apply and for EPA to evaluate and enforce. Basing the *de minimis* provision on the concentration of atypical elements in the raw state avoids a number of complicated issues that would arise if the provision were based on measurement of atypical elements in the emissions, e.g.: (1) How much accumulated mileage would be

required before generating, sampling, and analyzing the emissions for possible *de minimis* qualification; (2) how many samples would be needed; (3) once sampled, what kinds of emissions analyses would be required; (4) how accurate and sensitive would the detection equipment have to be; and (5) how EPA could efficiently confirm the results?

As discussed above, for the group of nine candidate elements, it appears that ambient air concentrations of at least $0.1 \text{ mg}/\text{m}^3$ ($100 \text{ }\mu\text{g}/\text{m}^3$) could occur for limited exposures without raising significant concerns. The concentration of a particular elemental constituent of a fuel/additive mixture which, after combustion in an engine, would yield a given concentration of the element in air depends on a number of factors and relationships, e.g., the chemical characteristics of the element and its host compound(s), the nature of the base fuel, engine type, and driving cycle involved, the scale and complexity of the ambient environment, etc. Thus, corresponding fuel and air concentrations cannot be calculated with precision. However, based on a series of approximations and conservative assumptions, EPA estimates that a concentration of 25 parts per million (ppm) of atypical element(s) in a base fuel (i.e., 0.0025 percent by weight)¹³ should generally yield a concentration in air of less than $0.1 \text{ mg}/\text{m}^3$, even under the theoretical assumption that the characteristics of the ambient air are a direct function of the combustion emissions of a single vehicle operating on the atypical F/FA mixture.¹⁴

Thus, EPA is today proposing a *de minimis* provision based on a qualifying level of 25 ppm in base fuel, disregarding trace amounts of these elements which may exist in the unadditized base fuel. Specifically, if an atypical additive contains no atypical elements other than Al, B, Ca, Fe, Mg, P, K, Na, and/or Zn, and if the total of these elements added to base fuel does not exceed 25 ppm by weight when the additive is mixed into the applicable base fuel at the highest treatment rate recommended by the additive manufacturer, then the additive (and F/FA mixture) would qualify for the *de minimis* provision. Comments on this general approach and on the proposed *de minimis* level are requested. The

¹³ These measurements refer to the specified elements themselves, not to the weights of the compounds in which these elements may be bound.

¹⁴ Specifically, the very conservative assumption is made that the ambient air consists of fully-passed-through emissions of the atypical element(s) diluted by a factor of 1 to 2,000.

special allowances for which such F/FAs would qualify are described in the next section.

3. Allowances for Qualifying F/FAs

EPA proposes that manufacturers of atypical F/FAs which qualify for the *de minimis* provision, under the criteria specified above, would be excused from the testing requirements included in Tier 2 (§ 79.53). This is the same allowance provided by the existing regulation (§ 79.58(d)(3)) for atypical F/FAs produced by small manufacturers (i.e., those with less than \$10 million in annual revenue). The *de minimis* provision would not excuse manufacturers from the Tier 1 emission characterization requirements that pertain specifically to atypical F/FAs, i.e., the identification and measurement of individual emission products containing the atypical elements (§ 79.52(b)(2)(iv) and, if applicable, § 79.52(b)(3)(iv)). Notwithstanding the *de minimis* provision nor any other special provisions for which a F/FA may qualify, the provisions of Tier 3 permit EPA to require any additional testing at its discretion, including testing which might have been required in the absence of the special provision.

Comments on this proposal to excuse qualifying F/FAs from Tier 2 requirements are requested. See the proposed regulatory language at § 79.58(f). Comments are also requested on the scope and specific details of the proposed *de minimis* provision in general. Any suggestions for easing the provision (i.e., adding elements or increasing the *de minimis* level) should be accompanied by data to justify such a change. This proposal is deliberately based on conservative assumptions and, EPA requests that commenters provide solid supporting data to justify any suggested changes which would widen the applicability of the proposed provision. EPA is unlikely to adopt any such suggestions from commenters without such data.

VIII. Minor Changes to the Testing Requirement for Registration

Minor changes to the testing requirements are proposed. In the final rules section of this Federal Register, these changes are being promulgated as a direct final rule without prior proposal, because they are viewed as noncontroversial and no adverse comments are anticipated. A detailed rationale for these proposed changes is set forth in the direct final rule. If an adverse comment on request for hearing is not received in response to the direct final rule, no further activity is contemplated in relation to this

proposed rule. If an adverse comment or hearing request is received, the portion of the direct final rule at issue will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on these minor changes. Any parties interested in commenting should do so at this time.

IX. Tier 1 Exposure Analysis

Section 79.52(c) requires a manufacturer, using annual and projected production volume, marketing, and distribution data (already required to be submitted as a condition for registration), to provide a qualitative discussion of the potential public health exposures to the emission products of its fuels and/or additives. Upon review, EPA has concluded that this qualitative discussion will add little relevant information beyond the registration data. Therefore, it is proposed to delete § 79.52(c) and modify introductory paragraph 79.52(a) accordingly.

X. Environmental and Economic Impacts

The environmental impacts of today's action are minimal, as discussed above. Additionally, economic impacts are beneficial to affected manufacturers due to the additional flexibility afforded in today's notice. Minimal anti-competitive effects are expected. A regulatory support document which presents EPA's analysis of the cost impacts of the May 1994 rule is available in Public Docket A-90-07 located at Room M-1500, Waterside Mall (ground floor), U.S. Environmental Protection Agency, 401 M St. S.W., Washington, D.C. 20460.

XI. Regulatory Flexibility Analysis

EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with this rule. This rule will reduce regulatory burdens on small businesses by reducing or eliminating the reporting and testing requirements for many small businesses. EPA has determined that this rule will not have a significant adverse economic impact on a substantial number of small businesses.

XII. Administrative Designation

Pursuant to Executive Order 12866 (58 FR 51735 [October 4, 1993]), the Agency must determine whether a regulatory action is "significant" and therefore subject to OMB review and the requirements of the executive order. The order defines "significant regulatory

actions as one that is likely to result in a rule that may:

(1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impact of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

Pursuant to the terms of Executive Order 12866, it has been determined that this notice is proposal rulemaking is not a "significant regulatory action". The proposals in this notice will decrease the number of parties to which these regulations apply and will reduce the requirements and costs of other parties subject to the regulations.

XIII. Paperwork Reduction Act

The Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, and implementing regulations, 5 CFR Part 1320, do not apply to this action as it does not involve the collection of information as defined therein.

XIV. Unfunded Mandates Act

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in expenditure by State, local, and tribal governments, in the aggregate; or by the private sector, of \$100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the action promulgated today does not include a federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This proposed action does not establish regulatory requirements that may significantly or

uniquely affect small governments. In fact, this proposed action has the net effect of reducing the burden of the fuel and fuel additive registration program on regulated entities. Therefore, the requirements of the Unfunded Mandates Act do not apply to this action.

XV. Statutory Authority

The statutory authority for this proposed rule is provided by sections 205 (b) and (c), 211, and 301(a) of the Clean Air Act as amended (42 U.S.C. 7524 (b) and (c), 7545, and 7601(a), Public Law 95-95).

List of Subjects in 40 CFR Part 79

Environmental protection, Fuel, Fuel additive, Gasoline, Motor vehicle pollution, Penalties.

Dated: June 27, 1996.

Carol M. Browner,
Administrator.

[FR Doc. 96-17550 Filed 7-10-96; 8:45 am]

BILLING CODE 6560-50-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Parts 10 and 15

[CGD 94-055]

RIN 2115-AF23

Licensing and Manning for Officers of Towing Vessels; Corrections

AGENCY: Coast Guard, DOT.

ACTION: Corrections to notice of proposed rulemaking.

SUMMARY: This document contains corrections to the notice of proposed rulemaking (NPRM) in CGD 94-055, published on Wednesday, June 19, 1996, at 61 FR 31332. The rulemaking relates to licensing and manning for officers of towing vessels.

DATE: These corrections are made on July 11, 1996.

FOR FURTHER INFORMATION CONTACT: Lieutenant Commander Don Darcy, Operating and Environmental Standards Division, (202) 267-0221.

SUPPLEMENTARY INFORMATION: The NPRM that is the subject of these corrections proposes a major restructuring of the licensing scheme for officers of towing vessels.

Need for Corrections

As published, the NPRM contains typographical errors and omissions that may prove to be misleading and that therefore need corrections.

Corrections to Publication

Accordingly, the NPRM published on June 19, 1996 [CGD 94-055], which was the subject of FR Doc. 96-15346, is corrected as follows:

1. On page 31337, in the second column, in the first paragraph, in line 3, remove "operators" and add, in its place, "operator".

2. On page 31338, in the second column, in paragraph 21, in lines 1 and 2, remove "be revised by requiring" and add, in its place, "require".

3. On page 31340, in the second column, in the line second from the bottom, remove the control-number "2115 AF23" and add, in its place, "2115 0623".

4. On page 31341, in the second column, in the lines fourth and fifth

from the bottom, remove "master, mate, or pilot of towing vessels" and add, in its place, "master or mate (pilot) of towing vessels."

Dated: July 3, 1996.

G.F. Wright,

*Acting Captain, USCG, Director of Standards,
Marine Safety and Environmental Protection.*

[FR Doc. 96-17566 Filed 7-10-96; 8:45 am]

BILLING CODE 4910-14-M

Notices

Federal Register

Vol. 61, No. 134

Thursday, July 11, 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.

INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Agency for International Development

Submission for OMB Review; Comment Request

SUMMARY: U.S. Agency for International Development (USAID) has submitted the following information collection requirement to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104-13. Comments regarding this information collection are best assured of having their full effect if received within 30 days of this notification. Comments should be addressed to: Desk Officer for AID, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, DC 20503. Copies of submission may be obtained by calling (202) 736-4743.

SUPPLEMENTARY INFORMATION:

Title: Contractor's Certificate and Agreement with the U.S. Agency for International Development/Contractor's Invoice and Contract Abstract.

Form No.: AID 1440-3.

OMB No: 0412-0017.

Type of Submission: Renewal.

Abstract: USAID finances host country contracts, for technical and professional services and for the construction of physical facilities, between the contractors for such services and entities in the country receiving assistance under loan or grant agreements with the recipient country. USAID is not a party to these contracts, and the contracts are not subject to the FAR. In its role as the financing agency, USAID needs some means of collecting information directly from the contractors supplying such services so that it may take appropriate action in the event that the contractor does not comply with applicable USAID

regulations. The information collection, recordkeeping, and reporting requirements are necessary to assure that USAID funds are expended in accordance with statutory requirements and USAID policies.

Annual Reporting Burden:

Number of Respondents: 30.

Annual Responses: 12.

Average hours per response: .50.

Total annual responses: 360.

Dated: July 1, 1996.

Genease E. Pettigrew,

Chief, Information Support Services Division, Office of Administrative Services, Bureau of Management.

[FR Doc. 96-17609 Filed 7-10-96; 8:45 am]

BILLING CODE 6116-71-M

DEPARTMENT OF AGRICULTURE

Food and Consumer Service

Child And Adult Care Food Program: National Average Payment Rates, Day Care Home Food Service Payment Rates, and Administrative Reimbursement Rates for Sponsors of Day Care Homes for the Period July 1, 1996-June 30, 1997

AGENCY: Food and Consumer Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces the annual adjustments to the national average payment rates for meals served in child care, outside-school-hours care and adult day care centers; the food service payment rates for meals served in day care homes; and the administrative reimbursement rates for sponsors of day care homes to reflect changes in the Consumer Price Index. Further adjustments are made to these rates to reflect the higher costs of providing meals in the States of Alaska and Hawaii. The adjustments contained in this notice are required by the statutes and regulations governing the Child and Adult Care Food Program (CACFP).

EFFECTIVE DATE: July 1, 1996.

FOR FURTHER INFORMATION CONTACT: Robert M. Eadie, Branch Chief, Policy and Program Development Branch, Child Nutrition Division, Food and Consumer Service, USDA, Alexandria, Virginia 22302, (703) 305-2620.

SUPPLEMENTARY INFORMATION: This program is listed in the Catalog of Federal Domestic Assistance under No. 10.558 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR Part 3015, Subpart V, and final rule related notice published at 48 FR 29114, June 24, 1983.)

This notice imposes no new reporting or recordkeeping provisions that are subject to Office of Management and Budget review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866.

Definitions

The terms used in this notice shall have the meanings ascribed to them in the regulations governing the CACFP (7 CFR Part 226).

Background

Pursuant to Sections 4, 11 and 17 of the National School Lunch Act (NSLA) (42 U.S.C. 1753, 1759a and 1766), Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) and Sections 226.4, 226.12 and 226.13 of the regulations governing the CACFP (7 CFR Part 226), notice is hereby given of the new payment rates for participating institutions. These rates shall be in effect during the period July 1, 1996-June 30, 1997.

As provided for under the NSLA and the Child Nutrition Act of 1966, all rates in the CACFP must be prescribed annually on July 1 to reflect changes in the Consumer Price Index for the most recent 12-month period. In accordance with this mandate, the Department last published the adjusted national average payment rates for centers, the food service payment rates for day care homes, and the administrative reimbursement rates for sponsors of day care homes on July 3, 1995, at 60 FR 34499 (for the period July 1, 1995-June 30, 1996). The payment rates for the period July 1, 1996-June 30, 1997 are:

ALL STATES EXCEPT ALASKA AND HAWAII

Meals Served in Centers—Per Meal Rates in Dollars or Fractions thereof:	
Breakfasts:	
Paid	\$.1975
Free	1.0175
Reduced .....	.7175
Lunches and Suppers: ¹	
Paid .....	.1775
Free	1.8375
Reduced	1.4375
Supplements:	
Paid .....	.0450
Free .....	.5050
Reduced .....	.2525
Meals Served in Day Care Homes—Per Meal Rates in Dollars or Fractions thereof:	
Breakfasts .....	.8625
Lunches and Suppers	1.5750
Supplements .....	.4700
Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes—Per Home/Per Month Rates in Dollars:	
Initial 50 day care homes	73
Next 150 day care homes	56
Next 800 day care homes	44
Additional day care homes	38

Pursuant to Section 12(f) of the NSLA (42 U.S.C. 1760(f)), the Department adjusts the payment rates for participating institutions in the States of Alaska and Hawaii. The new payment rates for Alaska are as follows:

Alaska

Alaska—Meals Served in Centers—Per Meal Rates in Dollars or Fractions thereof:	
Breakfasts:	
Paid .....	.2850
Free	1.6125
Reduced	1.3125
Lunches and Suppers: ¹	
Paid .....	.2850
Free	2.9750
Reduced	2.5750
Supplements:	
Paid .....	.0750
Free .....	.8175
Reduced .....	.4075
Alaska—Meals Served in Day Care Homes—Per Meal Rates in Dollars or Fractions thereof:	
Breakfasts	1.36
Lunches and Suppers	2.55
Supplements .....	.76
Alaska—Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes—Per Home/Per Month Rates in Dollars:	
Initial 50 day care homes	119
Next 150 day care homes	90
Next 800 day care homes	71
Additional day care homes	62

The new payment rates for Hawaii are as follows:

Hawaii

Hawaii—Meals Served in Centers—Per Meal Rates in Dollars or Fractions thereof:	
Breakfasts:	
Paid .....	.2225
Free	1.1825
Reduced .....	.8825
Lunches and Suppers: ¹	
Paid .....	.2075
Free	2.15
Reduced	1.75
Supplements:	
Paid .....	.0550
Free .....	.5900
Reduced .....	.2950
Hawaii—Meals Served in Day Care Homes—Per Meal Rates in Dollars or Fractions thereof:	
Breakfasts .....	.9975
Lunches and Suppers	1.8425
Supplements .....	.5500
Hawaii—Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes—Per Home/Per Month Rates in Dollars:	

ALL STATES EXCEPT ALASKA AND HAWAII—Continued

Initial 50 day care homes	86
Next 150 day care homes	65
Next 800 day care homes	51
Additional day care homes	45

¹ These rates do not include the value of commodities (or cash-in-lieu of commodities) which institutions receive as additional assistance for each lunch or supper served to participants under the program. Notices announcing the value of commodities and cash-in-lieu of commodities are published separately in the FEDERAL REGISTER.

The changes in the national average payment rates and the food service payment rates for day care homes reflect a 2.29 percent increase during the 12-month period May 1995 to May 1996 (from 148.6 in May 1995 to 152.0 in May 1996) in the food away from home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor. The changes in the administrative reimbursement rates for sponsoring organizations of day care homes reflect a 2.89 percent increase during the 12-month period May 1995 to May 1996 (from 152.2 in May 1995 to 156.6 in May 1996) in the series for all items of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor.

The total amount of payments available to each State agency for distribution to institutions participating in the program is based on the rates contained in this notice.

Authority: Sections 4(b)(2), 11(a), 17(c) and 17(f)(3)(B) of the National School Lunch Act, as amended (42 U.S.C. 1753, 1759(a), 1766) and section 4(b)(1)(B) of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773b).

Dated: July 3, 1996.

William E. Ludwig,

Administrator.

[FR Doc. 96-17671 Filed 7-10-96; 8:45 am]

BILLING CODE 3410-30-P

National School Lunch, Special Milk, and School Breakfast Programs; National Average Payments/Maximum Reimbursement Rates

AGENCY: Food and Consumer Service, USDA.

ACTION: Notice.

SUMMARY: This Notice announces the annual adjustments to: (1) The "national average payments," the amount of money the Federal Government provides States for lunches, meal supplements and breakfasts served to children participating in the National School Lunch and School Breakfast Programs; (2) the "maximum reimbursement rates," the maximum per

lunch rate from Federal funds that a State can provide a school food authority for lunches served to children participating in the National School Lunch Program; and (3) the rate of reimbursement for a half-pint of milk served to nonneedy children in a school or institution which participates in the Special Milk Program for Children. The payments and rates are prescribed on an annual basis each July. The annual payments and rates adjustments for the National School Lunch and School Breakfast Programs reflect changes in the Food Away From Home series of the Consumer Price Index for All Urban Consumers. The annual rate adjustment for the Special Milk Program reflects changes in the Producer Price Index for Fluid Milk Products. These payments and rates are in effect from July 1, 1996 through June 30, 1997.

EFFECTIVE DATE: July 1, 1996.

FOR FURTHER INFORMATION CONTACT: Robert M. Eadie, Chief, Policy and Program Development Branch, Child Nutrition Division, FCS, USDA, Alexandria, Virginia 22302, (703) 305-2620.

SUPPLEMENTARY INFORMATION: These programs are listed in the Catalog of Federal Domestic Assistance under No. 10.553, No. 10.555 and No. 10.556, respectively, and are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR Part 3015, Subpart V, and the final rule related notice published at 48 FR 29114, June 24, 1983.)

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), no new recordkeeping or reporting requirements have been included that are subject to approval from the Office of Management and Budget.

Background

Special Milk Program for Children

Pursuant to section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1772), the Department announces the rate of reimbursement for a half-pint of milk served to nonneedy children in a school or institution which participates in the Special Milk Program for Children. This rate is adjusted annually to reflect changes in the Producer Price Index for Fluid Milk Products (Code 0231), published by the Bureau of Labor Statistics of the Department of Labor.

For the period July 1, 1996 to June 30, 1997, the rate of reimbursement for a half-pint of milk served to a nonneedy child in a school or institution which participates in the Special Milk Program is 12.25 cents. This reflects an increase of 8.96 percent in the Producer Price Index for Fluid Milk Products (Code 0231) from May 1995 to May 1996 (from a level of 122.8 in May 1995 to 133.8 in May 1996).

As a reminder, schools or institutions with pricing programs which elect to serve milk free to eligible children continue to receive the average cost of a half-pint of milk (the total cost of all milk purchased during the claim period divided by the total number of purchased half-pints) for each half-pint served to an eligible child.

National School Lunch and School Breakfast Programs

Pursuant to sections 11 and 17A of the National School Lunch Act, (42 U.S.C. 1759a and 1766a), and section 4 of the Child Nutrition Act of 1966, (42 U.S.C. 1773), the Department annually announces the adjustments to the National Average Payment Factors and to the maximum Federal reimbursement rates for meals and supplements served to children participating in the National School Lunch Program. Adjustments are prescribed each July 1, based on changes in the Food Away From Home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor. The changes in the national average payment rates for

schools and residential child care institutions for the period July 1, 1996 through June 30, 1997 reflect a 2.29 percent increase in the Price Index during the 12-month period May 1995 to May 1996 (from a level of 148.6 in May 1995 to 152.00 in May 1996).

Lunch Payment Factors

Section 4 of the National School Lunch Act (42 U.S.C. 1753) provides general cash for food assistance payments to States to assist schools in purchasing food. There are two section 4 National Average Payment Factors for lunches served under the National School Lunch Program. The lower payment factor applies to lunches served by school food authorities in which less than 60 percent of the lunches served in the school lunch program during the second preceding school year were served free or at a reduced price. The higher payment factor applies to lunches served by school food authorities in which 60 percent or more of the lunches served during the second preceding school year were served free or at a reduced price. To supplement these section 4 payments, section 11 of the National School Lunch Act provides special cash assistance payments to aid schools in providing free and reduced price lunches. The section 11 National Average Payment Factor for each reduced price lunch served is set at 40 cents less than the factor for each free lunch.

As authorized under sections 8 and 11 of the National School Lunch Act (42 U.S.C. 1757, 1759a), maximum reimbursement rates for each type of lunch are prescribed by the Department in this Notice. These maximum rates ensure equitable disbursement of Federal funds to school food authorities.

Meal Supplement Payments in Afterschool Care Programs

Section 17A (42 U.S.C. 1766a) of the National School Lunch Act authorizes elementary and secondary schools to be reimbursed for meal supplements as part of the National School Lunch Program if they meet the following requirements (1) Operate school lunch

programs under the National School Lunch Act; (2) sponsor afterschool care programs; and (3) were participating in the Child and Adult Care Food Program as of May 15, 1989. The reimbursement rates for supplements served in Afterschool Care Programs under the National School Lunch Program are the same as the rates for supplements served in centers under the Child and Adult Care Food Program.

Breakfast Payment Factors

Section 4 of the Child Nutrition Act of 1966 establishes National Average Payment Factors for free, reduced price and paid breakfasts served under the School Breakfast Program and additional payments for schools determined to be in "severe need" because they serve a high percentage of needy children.

Revised Payments

The following specific section 4 and section 11 National Average Payment Factors and maximum reimbursement rates are in effect through June 30, 1997. Due to a higher cost of living, the average payments and maximum reimbursements for Alaska and Hawaii are higher than those for all other States. The District of Columbia, Virgin Islands, Puerto Rico and Guam use the figures specified for the contiguous States.

National School Lunch Program Payments

Section 4 National Average Payment Factors—In school food authorities which served less than 60 percent free and reduced price lunches in School Year 1994–95, the payments are:

Contiguous States—17.75 cents, maximum rate 25.75 cents; *Alaska*—28.50 cents, maximum rate 40.50 cents; *Hawaii*—20.75 cents, maximum rate 29.75 cents.

In school food authorities which served 60 percent or more free and reduced price lunches in School Year 1994–95, payments are: *Contiguous States*—19.75 cents, maximum rate 25.75 cents; *Alaska*—30.50 cents, maximum rate 40.50 cents; *Hawaii* 22.75 cents, maximum rate 29.75 cents.

Section 11 National Average Payment Factors—*Contiguous States*—free

lunch—166.00 cents, reduced price lunch 126.00 cents; *Alaska*—free lunch 269.00 cents, reduced price lunch 229.00 cents; *Hawaii*—free lunch 194.25 cents, reduced price lunch 154.25 cents.

Meal Supplements in Afterschool Care Programs—The payments are: *Contiguous States*—free supplement—50.50 cents, reduced price supplement—25.25 cents, paid supplement—4.50 cents; *Alaska*—free supplement—81.75 cents, reduced price supplement—40.75 cents, paid supplement—7.50 cents; *Hawaii*—free supplement—59.00 cents, reduced price supplement—29.50 cents, paid supplement—5.50 cents.

School Breakfast Program Payments

For schools "not in severe need" the payments are: *Contiguous States*—free breakfast 101.75 cents, reduced price breakfast 71.75 cents, paid breakfast 19.75 cents; *Alaska*—free breakfast 161.25 cents, reduced price breakfast 131.25 cents, paid breakfast 28.50 cents; *Hawaii*—free breakfast 118.25 cents, reduced price breakfast 88.25 cents, paid breakfast 22.25 cents.

For schools in "severe need" the payments are: *Contiguous States*—free breakfast 121.25 cents, reduced price breakfast 91.25 cents, paid breakfast 19.75 cents; *Alaska*—free breakfast 192.50 cents, reduced price breakfast 162.50 cents, paid breakfast 28.50 cents; *Hawaii*—free breakfast 140.75 cents, reduced price breakfast 110.75 cents, paid breakfast 22.25 cents.

Payment Chart

The following chart illustrates: the lunch National Average Payment Factors with the sections 4 and 11 already combined to indicate the per meal amount; the maximum lunch reimbursement rates; the reimbursement rates for meal supplements served in afterschool care programs; the breakfast National Average Payment Factors including "severe need" schools; and the milk reimbursement rate. All amounts are expressed in dollars or fractions thereof. The payment factors and reimbursement rates used for the District of Columbia, Virgin Islands, Puerto Rico and Guam are those specified for the contiguous States.

SCHOOL PROGRAMS—MEAL AND MILK PAYMENTS TO STATES AND SCHOOL FOOD AUTHORITIES

[Expressed in Dollars or Fractions Thereof, Effective from July 1, 1996–June 30, 1997]

National school lunch program ¹		Less than 60%	60% or more	Maximum rate
Contiguous States	Paid	\$.1775	\$.1975	\$.2575
	Reduced price	1.4375	1.4575	1.6075
	Free	1.8375	1.8575	2.0075
Alaska	Paid .....	.2850	.3050	.4050
	Reduced price	2.5750	2.5950	2.8400

SCHOOL PROGRAMS—MEAL AND MILK PAYMENTS TO STATES AND SCHOOL FOOD AUTHORITIES—Continued

[Expressed in Dollars or Fractions Thereof, Effective from July 1, 1996—June 30, 1997]

National school lunch program ¹		Less than 60%	60% or more	Maximum rate
Hawaii	Free	2.9750	2.9950	3.2400
	Paid .....	.2075	.2275	.2975
	Reduced price	1.7500	1.7700	1.9450
	Free	2.1500	2.1700	2.3450
School breakfast program		Non-severe need		Severe need
Contiguous States	Paid	\$.1975		\$.1975
	Reduced price .....	.7175		.9125
	Free	1.0175		1.2125
Alaska	Paid .....	.2850		.2850
	Reduced price	1.3125		1.6250
	Free	1.6125		1.9250
Hawaii	Paid .....	.2225		.2225
	Reduced price .....	.8825		1.1075
	Free	1.1825		1.4075
Special milk program		All milk	Paid milk	Free milk
Pricing programs without free option .....		.1225	N/A	N/A
Pricing programs with free option		N/A	.1225	(²)
Nonpricing programs .....		.1225	N/A	N/A

Supplements served in afterschool care programs

Contiguous States	Paid .....	.0450
	Reduced price .....	.2525
	Free .....	.5050
Alaska	Paid .....	.0750
	Reduced price .....	.4075
	Free .....	.8175
Hawaii	Paid .....	.0550
	Reduced price .....	.2950
	Free .....	.5900

¹ Payments listed for Free & Reduced Price Lunches include both sections 4 and 11 funds.

² Average cost 1/2 pint milk.

Authority: Sections 4, 8, 11 and 17A of the National School Lunch Act, as amended, (42 U.S.C. 1753, 1757, 1759a, 1766a) and sections 3 and 4(b) of the Child Nutrition Act, as amended, (42 U.S.C. 1772 and 42 U.S.C. 1773(b)).

Dated: July 3, 1996.

William E. Ludwig,
Administrator.

[FR Doc. 96-17670 Filed 7-10-96; 8:45 am]

BILLING CODE 3410-30-P

Rural Housing Service

Notice of Request for Extension of a Currently Approved Information Collection

AGENCY: The Rural Housing Service, USDA.

ACTION: Proposed collection; comments request.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Rural Housing Service's (RHS) intention to request an extension for the currently approved information collection in support of the program for Community Facility Loans. **DATES:** Comments on this notice must be received by September 9, 1996 to be assured of consideration.

FOR FURTHER INFORMATION, CONTACT: Yoonie MacDonald, Loan Specialist, Community Programs Division, RHS, U.S. Department of Agriculture, Stop 3222, 1400 Independence Avenue, SW., Washington, DC 20250. Telephone (202) 720-1490.

SUPPLEMENTARY INFORMATION:
Title: Community Facility Loans.
OMB Number: 0575-0015.

Type of Request: Extension of a currently approved information collection.

Abstract: The Community Facilities loan program is authorized by Section

306 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926) to make loans to public entities, nonprofit corporations, and Indian tribes for the development of community facilities for public use in rural areas.

Community facilities programs have been in existence for many years. These programs have financed a wide range of projects varying in size and complexity from large general hospitals to small rural water systems. The facilities financed are designed to promote the development of rural communities by providing the infrastructure necessary to attract residents and rural jobs.

Information will be collected by the field offices from applicants, borrowers, and consultants. This information will be used to determine applicant/borrower eligibility, project feasibility, and to ensure borrowers operate on a sound basis and use funds for authorized purposes. Failure to collect

proper information could result in improper determination of eligibility, improper use of funds, and/or unsound loans.

Expiration Date of Approval:
December 31, 1996.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 2.47 hours per response.

Respondents: Public bodies, not for profits, or Indian Tribes.

Estimated Number of Respondents:
10,520.

Estimated Number of Responses per Respondent: 9.06.

Estimated Total Annual Burden on Respondents: 235,854 hours.

Copies of this information collection can be obtained from the Director, Regulations and Paperwork Management Division at (202) 720-9725.

Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Barbara Williams, Regulations and Paperwork Management Division, U.S. Department of Agriculture, Rural Development, Stop 0743, 1400 Independence Avenue, SW., Washington, DC 20250. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Dated: July 3, 1996.

Jan Shadburn,

Associate Administrator; Rural Housing Service.

[FR Doc. 96-17673 Filed 7-10-96; 8:45 am]

BILLING CODE 3410-07-U

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Council on the Humanities; Meeting

July 5, 1996.

Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92-463, as amended) notice is hereby given that a meeting of the National Council on the Humanities will be held in Washington, D.C. on July 18-19, 1996.

The purpose of the meeting is to advise the Chairman of the National Endowment for the Humanities with respect to policies, programs, and procedures for carrying out his functions, and to review applications for financial support and gifts offered to the Endowment and to make recommendations thereon to the Chairman.

The meeting will be held in the Old Post Office Building, 1100 Pennsylvania Avenue, N.W., Washington, D.C. A portion of the morning and afternoon sessions on July 18-19, 1996, will not be open to the public pursuant to subsections (c)(4), (6) and (9)(B) of section 552b of Title 5, United States Code because the Council will consider information that may disclose: trade secrets and commercial or financial information obtained from a person and privileged or confidential; information of a personal nature the disclosure of which will constitute a clearly unwarranted invasion of personal privacy; and information the disclosure of which would significantly frustrate implementation of proposed agency action. I have made this determination under the authority granted me by the Chairman's Delegation of Authority dated July 19, 1993.

The agenda for the sessions on July 18, 1996 will be as follows:

Committee Meetings

(Open to the Public)

Policy Discussion

9:00-10:30 a.m.

Research/Education Programs—Room M07

Public Programs—Room 415

Challenge Grants and Preservation and Access—Room 317

(Closed to the Public)

10:30 a.m. until Adjourned

Discussion of specific grant applications before the Council

Council Discussion Groups

(Portions Open to the Public)

3:00-5:00 p.m.

External Affairs—Room 527
Strategic Plans/Enterprise—Room 503
Federal-State Partnership—Room 507

The morning session on July 19, 1996 will convene at 10:30 a.m. in the 1st Floor Council Room, M-09. The session will be open to the public as set forth below:

Minutes of the Previous Meeting Reports

- A. Introductory Remarks
- B. Staff Report
- C. Budget Report
- D. Legislative Report/Reauthorization
- E. National Conversation on American Pluralism
- F. Committee Reports on Policy & General Matters
 1. Overview
 2. Research and Education Programs
 3. Preservation and Access and Challenge Grants
 4. Public/Enterprise Programs
 5. Charles Frankel Prize

The remainder of the proposed meeting will be closed to the public for the reasons stated above. Further information about this meeting can be obtained from Ms. Sharon I. Block, Advisory Committee Management Officer, Washington, D.C. 20506, or call area code (202) 606-8322, TDD (202) 606-8282. Advance notice of any special needs or accommodations is appreciated.

Michael S. Shapiro,

Acting, Advisory Committee Management Officer.

[FR Doc. 96-17601 Filed 7-10-96; 8:45 am]

BILLING CODE 7536-01-M

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 55-96]

Foreign-Trade Zone 2, New Orleans, Louisiana; Proposed Foreign-Trade Subzone; Murphy Oil USA, Inc. (Oil Refinery Complex), St. Bernard Parish, LA

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Board of Commissioners of the Port of New Orleans, grantee of FTZ 2, requesting special-purpose subzone status for the oil refinery complex of Murphy Oil USA, Inc., located in St. Bernard Parish, Louisiana. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on July 1, 1996.

The refinery complex (105,000 BPD, 242 employees) is located on a 620-acre site at 2500 E. St. Bernard Highway on the Mississippi River, St. Bernard Parish (Meraux area), Louisiana, some 7 miles southeast of New Orleans.

The refinery is used to produce fuels and petrochemical feedstocks. Fuels produced include gasoline, jet fuel, distillates, residual fuels and naphthas. Petrochemical feedstocks and refinery by-products include methane, ethane, propane, propylene, butane, petroleum coke, asphalt and sulfur. Some 92 percent of the crude oil (96 percent of inputs), and some feedstocks and motor fuel blendstocks are sourced abroad.

Zone procedures would exempt the refinery from Customs duty payments on the foreign products used in its exports. On domestic sales, the company would be able to choose the finished product duty rate (nonprivileged foreign status—NPF) on certain petrochemical feedstocks and refinery by-products (duty-free) instead of the duty rates that would otherwise apply to the foreign-sourced inputs (e.g., crude oil, natural gas condensate). The duty rates on inputs range from 5.25¢/barrel to 10.5¢/barrel. The application indicates that the savings from zone procedures would help improve the refinery's international competitiveness.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is [60 days from date of publication]. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to September 24, 1996).

A copy of the application and accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce, Export Assistance Center, Hale Boggs Federal Building, 501 Magazine Street, Room 1043, New Orleans, Louisiana 70130
Office of the Executive Secretary, Foreign-Trade Zones Board, Room 3716, U.S. Department of Commerce, 14th & Pennsylvania Avenue, N.W., Washington, DC 20230

Dated: July 2, 1996.

Dennis Puccinelli,

Acting Executive Secretary.

[FR Doc. 96-17678 Filed 7-10-96; 8:45 am]

BILLING CODE 3510-DS-P

International Trade Administration

[A-421-803]

Notice of Court Decision: Certain Cold-Rolled Carbon Steel Flat Products From the Netherlands

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On June 14, 1996, The United States Court of International Trade (the CIT) affirmed the Department of Commerce's (the Department) redetermination on remand of the Final Determination of Sales at Less than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products and Certain Cold-Rolled Carbon Steel Flat Products from the Netherlands (58 FR 37199, July 9, 1993), as amended by the Antidumping Duty Order (58 FR 44172, August 19, 1993). *National Steel Corp. versus United States*, (Slip. Op. 96-97, Court No. 93-09-00616, June 14) (National Steel).

EFFECTIVE DATE: July 11, 1996.

FOR FURTHER INFORMATION CONTACT: David J. Goldberger at (202) 482-4136, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

SUPPLEMENTARY INFORMATION: On June 14, 1996, the CIT accepted the Department's methodology for selecting the highest non-aberrant margin to be applied to the respondent's, Hoogovens Groep B.V., unreported exporter's sales price data. The CIT also accepted the Department's methodology for calculating the cash deposit rate after the Department had revised its value-added tax adjustment methodology, in accordance with *Federal-Mogul Corp. versus United States*, 63 F.3d 1572, 1580 (Fed. Cir. 1995), under remand.

In its decision in *Timken Co. versus United States*, 893 F.2d 337 (Fed. Cir. 1990) (Timken), the United States Court of Appeals for the Federal Circuit held that, pursuant to 19 U.S.C. 1516a(e), the Department must publish a notice of a court decision which is not "in harmony" with a Department determination, and must suspend liquidation of entries pending a "conclusive" court decision. The CIT's decision in National Steel on June 14, 1996, constitutes a decision "not in harmony" with the Department's final affirmative determination. This notice fulfills the publication requirements of Timken.

Accordingly, the Department will continue the suspension of liquidation of the subject merchandise pending the expiration of the period of appeal, or, if

appealed, upon a "conclusive" court decision.

Dated: July 5, 1996.

Holly A. Kuga,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 96-17677 Filed 7-10-96; 8:45 am]

BILLING CODE 3510-DS-P

[A-475-811]

Grain-Oriented Electrical Steel From Italy: Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on grain-oriented electrical steel from Italy in response to a request by the respondent, Acciai Speciali Terni S.p.A. ("AST"). This covers one manufacturer/exporter of the subject merchandise to the United States during the period of review (POR), February 9, 1994, through July 31, 1995.

AST has withdrawn from participation in this review and failed to submit a response to Section D of the Department's questionnaire. As a result, we have preliminarily determined to use facts otherwise available for cash deposit and assessment purposes.

Interested parties are invited to comment on these preliminary results. Parties who submit arguments are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

EFFECTIVE DATE: July 11, 1996.

FOR FURTHER INFORMATION CONTACT: Nancy Decker or Robin Gray, Office of Agreements Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-3793.

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreement Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the

current regulations, as amended by the interim regulations published in the Federal Register on May 11, 1995 (60 FR 25130).

SUPPLEMENTARY INFORMATION:

Background

The Department published in the Federal Register an antidumping order on grain-oriented electrical steel from Italy on August 12, 1994 (59 FR 41431). On August 1, 1995, we published in the Federal Register (60 FR 39150) a notice of opportunity to request an administrative review of the antidumping order on grain-oriented electrical steel from Italy covering the period February 9, 1994, through July 31, 1995.

In accordance with 19 CFR 353.22(a)(1)(1995), the respondent, AST, requested that we conduct an administrative review of its sales. We published a notice of initiation of this antidumping duty administrative review on September 15, 1995 (60 FR 47930). The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of This Review

The product covered by this review is grain-oriented silicon electrical steel, which is a flat-rolled alloy steel product containing by weight at least 0.6 percent of silicon, not more than 0.08 percent of carbon, not more than 1.0 percent of aluminum, and no other element in an amount that would give the steel the characteristics of another alloy steel, of a thickness of no more than 0.560 millimeters, in coils of any width, or in straight lengths which are of a width measuring at least 10 times the thickness, as currently classifiable in the Harmonized Tariff Schedule of the United States (HTS) under item numbers 7225.10.0030, 7225.30.7000, 7225.40.7000, 7225.50.8000, 7225.90.0000, 7226.10.1030, 7226.10.5015, 7226.10.5056, 7226.91.7000, 7226.91.8000, 7226.92.5000, 7226.92.7050, 7226.92.8050, 7226.99.0000, 7228.30.8050, 7228.60.6000, and 7229.90.1000. Although the HTS subheadings are provided for convenience and customs purposes, our written descriptions of the scope of these proceedings are dispositive.

This review covers one manufacturer/exporter of grain-oriented electrical steel, and the period February 9, 1994, through July 31, 1995.

Use of Facts Available

We preliminarily determine, in accordance with section 776(a)(C) of the Act, that the use of facts available is

appropriate for AST because it significantly impeded this review by not responding to Section D of the Department's antidumping questionnaire and by refusing to further participate in the review proceedings. We sent AST a questionnaire on September 27, 1995, with deadlines of October 25, 1995, for section A and November 24, 1995, for sections B and C. AST filed timely responses to these sections. On February 16, 1996, the Department issued a supplemental questionnaire on sections A through C. On February 27, 1996, AST requested and was granted a two-week extension for the submission of a response to the supplemental questionnaire. AST filed the response to the supplemental questionnaire on the deadline of March 15, 1996.

On January 26, 1996, petitioners (Allegheny Ludlum Corporation, Armco, Inc., United Steel Workers of America, Butler Armco Independent Union, and Zanesville Armco Independent) made a sales-below-cost allegation, which the Department accepted, and a request for cost information (section D) was issued on February 15, 1996, with a deadline of March 18, 1996. AST requested an extension for its cost submission until March 29, 1996, which the Department granted. AST then requested another extension on its cost submission until April 12, 1996. The Department extended the deadline by five days, making it due on April 3, 1996. AST did not submit its cost response on that date. On April 4, 1996, AST filed a letter indicating its withdrawal from participation in the review.

Necessary information is not available on the record with regard to AST's cost of production because AST withheld the requested information. Therefore, we must make our preliminary determination based on facts otherwise available (section 776(a) of the Act).

Where the Department must rely on the facts available because the respondent failed to cooperate to the best of its ability, section 776(b) authorizes the Department to use an inference adverse to the interests of that respondent in choosing the facts available. Section 776(b) also authorizes the Department to use as adverse facts available information derived from the petition, the final determination, a previous administrative review, or other information placed on the record. Because information from prior proceedings constitutes secondary information, section 776(c) provides that the Department shall, to the extent practicable, corroborate that secondary information from independent sources

reasonably at its disposal. The Statement of Administrative Action (SAA) provides that "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value.

To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources for calculated dumping margins. The only source for margins is administrative determinations. Thus, in an administrative review, if the Department chooses as total adverse facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period. With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin not relevant. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin (see, e.g., Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review (61 FR 6812, February 22, 1996), where the Department disregarded the highest margin in that case as adverse BIA because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin). In this case, we have used the highest rate from any prior segment of the proceeding, 60.79 percent, because there is no reliable evidence on the record indicating that the selected margin is not appropriate as adverse facts available.

On April 1, 1996, the Department published in the Federal Register (61 FR 14291) an extension of time limits for antidumping administrative reviews, including the review on grain-oriented electrical steel from Italy. The Department determined it was not practicable to complete these reviews within the time limits mandated by the Act. Pursuant to section 751(a)(3)(A) of the Trade and Tariff Act of 1930, as amended, the Department extended the time limits for this review until September 27, 1996, for the preliminary results of administrative review, and April 2, 1997 for the final results. However, the entire amount of additional time is no longer necessary

because AST has refused to further participate in the review proceedings.

Preliminary Results of Review

We preliminarily determine that the following dumping margin exists:

Manufacturer/exporter	Time period	Margin (per-cent)
Acciai Speciali Terni S.p.A.	2/9/94-7/31/95	60.79

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. The Department will publish a notice of final results of this administrative review, which will include the results of its analysis of issues raised in any such comments.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between export price and NV may vary from the percentage stated above. Upon completion of this review, the Department will issue assessment instruction directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of grain-oriented electrical steel from Italy entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) The cash deposit rate for reviewed companies will be the rate established in the final results of this review; (2) for previously investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review or the original less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be the rate established in the

investigation of sales at less than fair value, which is 60.79 percent.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of this Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: June 28, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96-17676 Filed 7-10-96; 8:45 am]

BILLING CODE 3510-DS-M

National Oceanic and Atmospheric Administration

National Weather Service Modernization and Associated Restructuring

AGENCY: National Weather Service (NWS), NOAA, Commerce.

ACTION: Notice and opportunity for public comment.

SUMMARY: The NWS is publishing proposed certifications for the proposed consolidations of:

- (1) Residual Des Moines Weather Service Office (WSO) into the future Des Moines Weather Forecast Office (WFO);
- (2) Residual Louisville WSO into the future Louisville WFO;
- (3) Residual St. Louis WSO into the future St. Louis WFO;
- (4) Columbia WSO into the future Kansas City/Pleasant Hill, Springfield, and St. Louis WFOs;
- (5) Lansing WSO into the future Grand Rapids WFO;
- (6) Lexington WSO into the future Louisville and Cincinnati WFOs;
- (7) Lincoln WSO into the future Omaha WFO;
- (8) Sioux City WSO into the future Omaha and Sioux Falls WFOs;
- (9) Baton Rouge WSO into the future New Orleans/Baton Rouge, Lake Charles, and Jackson WFOs; and
- (10) Montgomery WSO into the future Birmingham, Mobile, and Tallahassee WFOs.

In accordance with Pub. Law 102-567, the public will have 60-days in which to comment on these proposed consolidation certifications.

DATES: Comments are requested by September 9, 1996.

ADDRESSES: Requests for copies of the proposed consolidation packages should be sent to Tom Beaver, Room 12314, 1325 East-West Highway, Silver Spring, MD 20910, telephone 301-713-0300. All comments should be sent to Tom Beaver at the above address.

FOR FURTHER INFORMATION CONTACT: Julie Scanlon at 301-713-1413.

SUPPLEMENTARY INFORMATION: NWS anticipates consolidating:

- (1) The Residual Des Moines Weather Service Office (WSO) with the future Des Moines Weather Forecast Office (WFO);
- (2) The Residual Louisville WSO with the future Louisville WFO;
- (3) The Residual St. Louis WSO with the future St. Louis WFO;
- (4) The Columbia WSO with the future Kansas City/Pleasant Hill, Springfield, and St. Louis WFOs;
- (5) The Lansing WSO with the future Grand Rapids WFO;
- (6) The Lexington WSO with the future Louisville and Cincinnati WFOs;
- (7) The Lincoln WSO with the future Omaha WFO;
- (8) The Sioux City WSO with the future Omaha and Sioux Falls WFOs;
- (9) The Baton Rouge WSO with the future New Orleans/Baton Rouge, Lake Charles, and Jackson WFOs; and
- (10) The Montgomery WSO with the future Birmingham, Mobile, and Tallahassee WFOs.

In accordance with section 706 of Pub. Law 102-567, the Secretary of Commerce must certify that these consolidations will not result in any degradation of service to the affected areas of responsibility and must publish the proposed consolidation certifications in the FR. The documentation supporting each proposed certification includes the following:

- (1) A draft memorandum by the meteorologist-in-charge recommending the certification, the final of which will be endorsed by the Regional Director and the Assistant Administrator of the NWS if appropriate, after consideration of public comments and completion of consultation with the Modernization Transition Committee (the Committee);
- (2) A description of local weather characteristics and weather-related concerns which affect the weather services provided within the service area;
- (3) A comparison of the services provided within the service area and the

services to be provided after such action;

(4) A description of any recent or expected modernization of NWS operation which will enhance services in the service area;

(5) An identification of any area within the affected service area which would not receive coverage (at an elevation of 10,000 feet) by the next generation weather radar network;

(6) Evidence, based upon operational demonstration of modernized NWS operations, which was considered in reaching the conclusion that no degradation in service will result from such action including the WSR-88D Radar Commissioning Report(s), User Confirmation of Services Report(s), and the Decommissioning Readiness Report (as applicable); and

(7) A letter appointing the liaison officer.

These proposed certifications do not include any report of the Committee which could be submitted in accordance with sections 706(b)(6) and 707(c) of Pub. Law 102-567. At their December 14, 1995 meeting the members ". . . resolved that the MTC modify its procedure to eliminate proposed certification consultations of noncontroversial closings, consolidations, relocations, and automation certifications but will provide final consultation on certifications after public comment and before final submission to the Secretary of Commerce."

Documentation supporting the proposed certifications is too voluminous to publish. Copies of the supporting documentation can be obtained through the contract listed above.

Once all public comments have been received and considered, the NWS will complete consultation with the Committee and determine whether to proceed with the final certifications. If decisions to certify are made, the Secretary of Commerce must publish the final certifications in the FR and transmit the certifications to the appropriate Congressional committees prior to consolidating the offices.

Dated: July 8, 1996.

Louis J. Boezi,

Deputy Assistant Administrator for Modernization.

[FR Doc. 96-17684 Filed 7-10-96; 8:45 am]

BILLING CODE 3510-12-M

DEPARTMENT OF DEFENSE

Department of the Air Force

Intent To Grant an Exclusive Patent License

Pursuant to the provisions of Part 404 of Title 37, Code of Federal Regulations, which implements Public Law 96-517, the Department of the Air Force announces its intention to grant an exclusive license to Giner, Inc. a corporation of the State of Massachusetts, under U.S. Patent Application S/N 08/421,710 for a "Gas Sensor."

The license described above will be granted unless an objection thereto, together with a request for an opportunity to be heard, if desired, is received in writing by the addressee set forth below within sixty (60) days from the date of publication of this notice. Copies of the patent application may be obtained, on request, from the same addressee.

All communications concerning this notice should be sent to: Mr. Samuel B. Smith, Jr., 1501 Wilson Blvd, Suite 805, Arlington, VA 22209-2403, Telephone No: (703) 696-9033.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 96-17607 Filed 7-10-96; 8:45 am]

BILLING CODE 3910-01-W

DEPARTMENT OF ENERGY

Office of Arms Control and Nonproliferation Policy

Proposed Subsequent Arrangement

AGENCY: Department of Energy.

ACTION: Subsequent arrangement.

SUMMARY: Pursuant to Section 131 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2160), notice is hereby given of a proposed "subsequent arrangement" under the Agreement for Cooperation between the Government of the United States of America and the Government of Japan concerning Peaceful Uses of Nuclear Energy.

The subsequent arrangement to be carried out under the above-mentioned agreement involves the addition of the following mixed-oxide (MOX) fuel fabrication facilities to Annex 1 of the Implementing Agreement between the Government of the United States of America and the Government of Japan Pursuant to Article 11 of their Agreement for Cooperation Concerning Peaceful Uses of Nuclear Energy: Belgonucleaire Usine de Fabrication D'Elements PU Plant located at Dessel,

Belgium; Franco-Belge de Fabrication de Combustibles (FBFC) International Assemblage Des Combustibles MOX Plant located at Dessel, Belgium; Etablissement MELOX Plant located at Marcoule, France; Companie Générale des Matières Nucléaires (Cogema) Complexe de Fabrication Des Combustibles Plant located at Cadarache, France; and British Nuclear Fuels PLC Plant located at Sellafield, United Kingdom.

In accordance with Section 131 of the Atomic Energy Act of 1954, as amended, it has been determined that this subsequent arrangement will not be inimical to the common defense and security.

This subsequent arrangement will take effect no sooner than fifteen days after the date of publication of this notice and after fifteen days of continuous session of the Congress, beginning the day after the date on which the reports required by Section 131 of the Atomic Energy Act of 1954, as amended, are submitted to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate. The two time periods referred to above may run concurrently.

Dated: July 3, 1996.

For the Department of Energy.

Edward T. Fei,

Deputy Director, International Policy and Analysis Division, Office of Arms Control and Nonproliferation.

[FR Doc. 96-17648 Filed 7-10-96; 8:45 am]

BILLING CODE 6450-01-P

Federal Energy Regulatory Commission

[Docket No. RP96-289-000]

CNG Transmission Corporation; Notice of Proposed Changes in FERC Gas Tariff

July 5, 1996.

Take notice that on June 28, 1996, CNG Transmission Corporation ("CNG"), tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following tariff sheets:

Nineteenth Revised Sheet No. 32

Nineteenth Revised Sheet No. 33

CNG requests an effective date of August 1, 1996, for these proposed tariff sheets.

CNG states that the purpose of this filing is to submit CNG's quarterly revision of the Section 18.2.B. Surcharge, effective for the three-month period commencing August 1, 1996. According to CNG, the charge for the

period of May through July, 1996 has been \$0.0017 per Dt, as authorized by Commission order dated April 26, 1996, in Docket No. RP96-188. CNG's proposed Section 18.2.B. surcharge for the next quarterly period is \$0.0131 per Dt. The revised surcharge is designed to recover approximately \$69,000 in Stranded Account No. 858 Costs, which CNG incurred for the period of January through March, 1996.

CNG states that copies of this letter of transmittal and enclosures are being mailed to CNG's customers and interested state commissions. CNG also states that copies of this filing are available for public inspection during regular business hours, at CNG's principal offices in Clarksburg, West Virginia.

Any person desiring to be heard or to protest this filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules of Practice and Procedure. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make Protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17620 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-286-000]

Florida Gas Transmission Company; Notice of Filing of Report of Cash-Out Activity

July 5, 1996.

Take notice that on June 27, 1996, Florida Gas Transmission Company (FGT) tendered for filing schedules detailing certain information related to the Cash-Out mechanism from June 1, 1995 through November 30, 1995. No tariff changes are proposed therein.

FGT states that Section 14 of the General Terms and Conditions (GTC) of its FERC Gas Tariff provides for the resolution of differences between quantities of gas scheduled and physically received and/or delivered each month and provides that the elimination of any monthly imbalances not resolved through the Book-Out

provisions will be by cash settlement (Cash-Out). The Cash-Out provisions of Section 14 provide that different imbalance factors and price index used to value imbalances due the imbalance parties. FGT states that the purpose of the weighted valuation method was to encourage shipper adherence to scheduled quantities to maintain the integrity of FGT's system, which has no storage facilities to accommodate imbalances.

FGT states that, in order to ensure that any potential benefit resulting from the use of different indices and imbalance factors was properly accounted for, FGT was required to credit to its shippers all revenues derived from Cash-Outs which exceed the actual cost to FGT to maintain a reasonable system balance. These requirements were contained in Section 14.B.8. of the GTC of FGT's tariff.

Although these provisions of Section 14.B.8. were superseded December 1, 1995 by the provisions of a settlement in Docket No. RP95-103-000, FGT states that it is filing the instant report for the activity occurring since its last cash-out report to avoid an unintended gap in reporting.

FGT proposes to directly refund \$195,392.72 of excess cash-out revenues to shippers identified in Schedule B to FGT's filing. FGT proposes to make these refunds within 30 days following a final Commission Order accepting the filing.

Any person desiring to be heard or to protest said filing should file a Motion to Intervene or Protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate actions to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a Motion to Intervene.

Copies of this filing are on file with the Commission and are available for public inspections.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17617 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-288-000]

Kentucky West Virginia Gas Company; Notice of Proposed Change in FERC Gas Tariff

July 5, 1996.

Take notice that on June 28, 1996, Kentucky West Virginia Gas Company (Kentucky West) tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, revised tariff sheets listed in its Appendix to become effective August 1, 1996.

Kentucky West states that the purpose of this filing is to modify its tariff as required by the revisions to Part 154 of the Commission's Regulations pursuant to Order No. 582 issued in Docket No. RM95-3-000 on September 28, 1995.

Kentucky West states that these tariff revisions will have no impact on the nature of services Kentucky West performs nor will they result in any increase in Kentucky West's revenues. Kentucky West requests a shortened suspension period to permit the tariff sheets to take effect on August 1, 1996.

Kentucky West states that a copy of its filing has been served upon each of its jurisdictional customers and interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulation Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.11 and 385.214 of the Commission's Rules Practice and Procedure. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17619 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-291-000]

Mid Louisiana Gas Company; Notice of Proposed Changes in FERC Gas Tariff

July 5, 1996.

Take notice that on June 28, 1996, Mid Louisiana Gas Company ("MIDLA") tendered for filing certain tariff sheets to be included in its FERC Gas Tariff, Third Revised Volume No. 1. The proposed changes would decrease

jurisdictional revenues by approximately \$5.7 million annually based upon the twelve month period ended February 29, 1996, as adjusted. MIDLA proposes that the revised tariff sheets, together with the rates and conditions of service identified in such sheets, be made effective contemporaneously with the effective date of a Commission order approving an abandonment application filed by MIDLA in Docket No. CP95-730-000.

MIDLA states that the principal cause of the revenue decrease is the elimination from operation and maintenance expenses of the costs related to storage and transportation services paid to Transcontinental Gas Pipe Line Corporation ("Transco"). MIDLA requested the authority to abandon these services in its abandonment application in Docket No. CP95-730. Additional purposes of the filing of the Revised Tariff Sheets are to revise and restate the character of MIDLA's Rate Schedule NNS to reflect the conversion from the existing combined storage and transportation function to a No-Notice Service that is predicated on a transportation and receipt point commodity purchase strategy as well as to eliminate Rate Schedule(s) SMS, FSS, and ISS with all of their related references as well as several general clerical and informational modifications as described in the Statement of Nature, Reasons and Basis.

MIDLA states that since its last rate case filing, the Commission approved, in orders in MIDLA's restructuring proceeding under Order No. 636 (Docket No. RS92-20), the basic rate design and cost allocation methods which this filing reflects. Specifically, the instant filing reflects the continuation of the Straight-Fixed Variable (SFV) rate design methodology and the continuation of IT rates designed on a 100% load factor.

Pursuant to Section 154.7(a)(7) of the Commission's Regulations, MIDLA respectfully requests waiver of 154.207, notice requirements, as well as any other requirement of the Regulations in order to permit the tendered tariff sheets to become effective September 1, 1996, as submitted.

MIDLA states that, in compliance with Section 154.208, paper copies of the Revised Tariff Pages and this filing are being served upon its jurisdictional customers and appropriate state regulatory agencies.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C.

20426, in accordance with 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17621 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-294-000]

**National Fuel Gas Supply Corporation;
Notice of Tariff Filing**

July 5, 1996.

Take notice that on June 28, 1996, National Fuel Gas Supply Corporation ("National") tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, Sixteenth Revised Sheet No. 5, with a proposed effective date of July 1, 1996.

National states that this filing reflects the quarterly adjustment to the reservation and commodity components of the EFT rate pursuant to the Transportation and Storage Cost Adjustment ("TSCA") provision set forth in Section 23 of the General Terms and Conditions of National's FERC Gas Tariff.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules of Practice and Procedure. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17624 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TM96-6-16-000]

**National Fuel Gas Supply Corporation;
Notice of Tariff Filing**

July 5, 1996.

Take notice that on June 28, 1996, National Fuel Gas Supply Corporation ("National") tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, Ninth Revised Sheet No. 5A, with a proposed effective date of July 1, 1996.

National states that under Article II, Section 1, of the approved settlement approved in Docket No. RP94-367-000, *et al.*, National is required to recalculate semi-annually the maximum Interruptible Gathering ("IG") rate to be effective on July 1 and January 1. The recalculation produced an IG rate of 17 cents per dth.

National further states that pursuant to Article II, Section 4 of the settlement, National is required to file a revised tariff sheet in a Compliance Filing each time the effective IG rate is revised within 30 days of the effective date of the revised IG rate.

In addition, pursuant to Article I, Section 4, National is required to redetermine quarterly the Amortization Surcharge to reflect revisions in the Plant to be Amortized, interest and associated taxes, and a change in the determinants. The recalculation produced an Amortization Surcharge of 14.35 cents per dth.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules of Practice and Procedure. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17627 Filed 7-10-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-295-000]

Southern Natural Gas Company; Notice of GSR Revised Tariff Sheets

July 5, 1996.

Take notice that on June 28, 1996, Southern Natural Gas Company (Southern) tendered for filing as part of its FERC Gas Tariff, Seventh Revised Volume No. 1, the following tariff sheets with the proposed effective date of April 1, 1996:

- Tariff Sheets Applicable to Contesting Parties:
- First Substitute Eleventh Revised Sheet No. 14
- First Substitute Thirty Third Revised Sheet No. 15
- First Substitute Eleventh Revised Sheet No. 16
- First Substitute Thirty Third Revised Sheet No. 17
- First Substitute Nineteenth Revised Sheet No. 18
- First Substitute Twenty First Revised Sheet No. 29
- First Substitute Twenty First Revised Sheet No. 30
- First Substitute Twenty First Revised Sheet No. 31

- Tariff Sheets Applicable to Supporting Parties:
- First Substitute Fourth Revised Sheet No. 14a
- First Substitute Eleventh Revised Sheet No. 15a
- First Substitute Fourth Revised Sheet No. 16a
- First Substitute Eleventh Revised Sheet No. 17a

Southern submits the revised tariff sheets to its FERC Gas Tariff, Seventh Revised Volume No. 1, to reflect a change in its FT/FT-NN GSR Surcharge, its other transition cost surcharge, and its Interruptible Transportation Rates due to a decrease in the FERC interest rate and to a net increase in GSR billing units effective July 1, 1996. The FT/FT-NN GSR surcharge also reflects a credit for excess firm transportation reservation quantities.

Copies of the filing were served upon all parties listed on the official service list compiled by the Secretary in these proceedings.

Any person desiring to be heard or to protest said filing should file a motion

to intervene or protest with the Federal Energy Regulatory Commission, Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules of Practice and Procedure. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of Southern's filing are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,
Acting Secretary.
[FR Doc. 96-17625 Filed 7-11-96; 8:45 am]
BILLING CODE 6717-01-M

[Docket No. RP96-292-000]

Tennessee Gas Pipeline Company; Notice of Cashout Report

July 5, 1996.

Take notice that on June 28, 1996, Tennessee Gas Pipeline Company ("Tennessee") tendered for filing its second annual cashout report for the September 1994 through August 1995 period.

The cashout report reflects a net cashout loss during this period of \$1,185,965. The report also reflects the carry forward of cashout losses equalling \$14,046,552 reported in Docket No. RP95-64-001.

Any person desiring to be heard or to protest this filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to

become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,
Acting Secretary.
[FR Doc. 96-17622 Filed 7-11-96; 8:45 am]
BILLING CODE 6717-01-M

[Docket No. TM96-4-17-000]

Texas Eastern Transmission Corporation; Notice of Proposed Changes in FERC Gas Tariff

July 5, 1996.

Take notice that Texas Eastern Transmission Corporation (Texas Eastern) on July 1, 1996 tendered for filing as part of its FERC Gas Tariff, Sixth Revised Volume No. 1 and Original Volume No. 2, revised tariff sheets listed on Appendix A to the filing to become effective August 1, 1996.

Texas Eastern states that these revised tariff sheets are filed pursuant to Section 15.1, Electric Power Cost (EPC) Adjustment, of the General Terms and Conditions of Texas Eastern's FERC Gas Tariff, Sixth Revised Volume No. 1. Texas Eastern states that Section 15.1 provides that Texas Eastern shall file to be effective each August 1 revised rates for each applicable zone and rate schedule based upon the projected annual electric power costs required for the operation of transmission compressor stations with electric motor prime movers.

Texas Eastern states that these revised tariff sheets are being filed to reflect changes in Texas Eastern's projected costs for the use of electric power for the twelve month period beginning August 1, 1996. Texas Eastern states that the rate changes proposed to the primary firm capacity reservation charges, usage rates and 100% load factor average costs for full Access Area Boundary service from the Access Area Zone, East Louisiana, to the three market area zones are as follows:

Zone	Reservation	Usage	100% LF
Market 1	\$0.002/dth	\$(.0003)/dth	\$(.0002)/dth
Market 2	\$0.008/dth	\$(.0009)/dth	\$(.0006)/dth
Market 3	\$0.013/dth	\$(.0013)/dth	\$(.0009)/dth

Texas Eastern states that copies of its filing have been served on all firm customers of Texas Eastern and current interruptible shippers and interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C.

20426, in accordance with Section 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of

the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17626 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-287-000]

Transcontinental Gas Pipe Line Corporation; Notice of Proposed Changes in FERC Gas Tariff

July 5, 1996.

Take notice that Transcontinental Gas Pipe Line Corporation (Transco) tendered for filing on June 27, 1996, the tariff sheets listed below to its FERC Gas Tariff, Third Revised Volume No. 1. The tariff sheets are proposed to become effective July 1, 1996.

18th Revised First Revised Sheet No. 27
Third Revised Sheet No. 116
Original Sheet No. 116A

The reasons for the instant filing are: (a) for the limited purpose of revising Transco's Rate Schedule GSS rates to reflect a reduction in the total firm storage service provided by Transco to its rate Schedule GSS customers from a capacity of 65,917,300 Mcf to 62,917,300 Mcf consistent with the authorization granted in the Commission's June 13, 1996 Order in Docket Nos. CP96-226-000 and CP96-238-000 (June 13 Order), and (b) to submit revised tariff sheets reflecting the inclusion in the GSS Rate Schedule of the OFO tariff provisions approved by the June 13 Order. Accordingly, Transco is filing therein 18th Revised First Revised Sheet No. 27 which sets forth the revised rates under Rate Schedule GSS resulting from the foregoing reduction in the GSS customers' storage capacity quantity entitlements, and Third Revised Sheet No. 116 and Original Sheet No. 116A which contain the approved OFO provisions.

In accordance with the provisions of Section 154.2(d) of the Commission's Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main office at 2800 Post Oak Boulevard in Houston, Texas. Transco is serving copies of the instant filing to its Rate Schedule GSS customers, interested State

Commissions and intervenors in Docket No. CP96-226-000.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding.

Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17618 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TM96-14-29-000]

Transcontinental Gas Pipe Line Corporation; Notice of Tariff Filing

July 5, 1996.

Take notice that Transcontinental Gas Pipe Line Corporation (Transco) tendered for filing on June 28, 1996 in Appendix A thereto Fourteenth Revised Sheet No. 60 to its FERC Gas Tariff, Third Revised Volume No. 1. The proposed effective date of such tariff sheet is August 1, 1996.

The instant filing is submitted pursuant to Section 39 of the General Terms and Conditions of Transco's FERC Gas Tariff which provides that Transco will file to adjust its Great Plains Volumetric Surcharge (GPS) 30 days prior to each GPS Annual Period beginning August 1. The GPS Surcharge is designed to recover i) the cost of gas purchased from Great Plains Gasification Associates (or its successor) which exceeds the Spot Index (as defined in Section 39 of the General Terms) and ii) the related cost of transporting such gas.

The revised GPS Surcharge included therein consists of two components—the Current GPS Surcharge calculated for the period August 1, 1996 through July 31, 1997 plus the Great Plains Deferred Account Surcharge (Deferred Surcharge). The determination of the Deferred Surcharge is based on the balance in the current GPS subaccount plus accumulated interest at April 30, 1996.

Included in Appendix B attached to the filing are workpapers supporting the calculation of the revised GPS Surcharge of \$0.0227 per dt reflected on the tariff sheet included therein.

Transco states that copies of the instant filing are being mailed to customers, State Commissions and other interested parties. In accordance with the provisions of Section 154.16 of the Commission's Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main offices at 2800 Post Oak Boulevard in Houston, Texas.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E. Washington, D.C. 20426, in accordance with Sections 385.214 and 385.11 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17628 Filed 7-10-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP96-293-000]

Trunkline Gas Company; Notice of Proposed Changes in FERC Gas Tariff

July 5, 1996.

Take notice that on June 28, 1996, Trunkline Gas Company (Trunkline) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the tariff sheets listed on Appendix A attached to the filing, to be effective August 1, 1996.

Trunkline states that the purpose of this filing is to modify Trunkline's FERC Gas Tariff, First Revised Volume No. 1 to: (1) Remove the gas parking component of Rate Schedule TABS-1 and establish gas parking as a separate service in Rate Schedule GPS for Gas Parking Service; (2) make certain changes to Rate Schedule TABS-1; (3) simplify and expand Trunkline's currently effective cash out provisions in Section 5.2(B)(2) of the General Terms and Conditions; (4) modify Section 10.2 of the General Terms and

Conditions to delete Trunkline's five-day notice posting requirement for competing bids for available capacity; (5) add Section 5.3 to the General Terms and Conditions to provide for an overrun penalty applicable to gas taken in excess of a shipper's Maximum Daily Quantity (MDQ); and (6) make certain limited technical changes and corrections to Trunkline's tariff, all as further described in the filing. Accordingly, this filing includes tariff sheets to effectuate the proposed changes in various Rate Schedules and Forms of Service Agreements and the General Terms and Conditions of Trunkline's FERC Gas Tariff, First Revised Volume No. 1.

Trunkline states that a copy of this filing is available for public inspection during regular business hours at Trunkline's office at 5400 Westheimer Court, Houston, Texas 77056-5310. In addition, copies of this filing are being served on all affected customers and applicable state regulatory agencies.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-17623 Filed 7-11-96; 8:45 am]

BILLING CODE 6717-01-M

ENVIRONMENTAL PROTECTION AGENCY

[FRL-5534-5]

Control of Air Pollution From New Motor Vehicles and New Motor Vehicle Engines; Voluntary Standards for Light-Duty Vehicles

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of availability.

SUMMARY: This notice announces the availability of a contractor's final report on testing to compare evaporative

emissions test procedures of the Environmental Protection Agency with those of the California Air Resources Board (CARB). The information is relevant to policy decisions EPA anticipates making as part of any final rulemaking to adopt the National Low Emission Vehicle program, a voluntary program of emission standards and related provisions applicable to light-duty vehicles and light, light-duty trucks.

DATES: The status report has been released and is currently available to the public.

ADDRESSES: Materials relevant to this study are contained in Docket No. A-95-26. The docket is located at the U.S. Environmental Protection Agency, Air Docket Section, Air Docket Room, Room M-1500, Waterside Mall, 401 M Street SW, Washington, DC 20460 (Telephone (202) 260-7548; FAX (202) 260-4400). The docket may be inspected between the hours of 8:30 a.m. to 5:30 p.m., Monday through Friday. A reasonable fee may be charged by EPA for copying docket materials.

FOR FURTHER INFORMATION CONTACT:

Rob French, Vehicle Programs and Compliance Division, U.S. Environmental Protection Agency, National Vehicle and Fuel Emissions Laboratory, 2565 Plymouth Road, Ann Arbor, Michigan, 48105. Telephone (313) 668-4380, FAX (313) 741-7869.

SUPPLEMENTARY INFORMATION: On October 10, 1995, EPA proposed regulations under sections 202(a) and 301(a) of the Clean Air Act to establish a National Low Emission Vehicle (National LEV) program. 60 FR 52734. Under these regulations, auto manufacturers would be able to volunteer to comply with more stringent tailpipe standards for cars and light, light-duty trucks. Once a manufacturer opted into the program, the standards would be enforced in the same manner as any other federal motor vehicle pollution control requirement. The Agency further proposed that the National LEV program, once found to be in effect, would relieve the 13 states in the Northeast Ozone Transport Region (OTR), of their regulatory obligation to adopt the OTC-LEV program, (a state-by-state implementation of California's LEV program requirements in the Northeast OTR states by February 15, 1996. 60 FR 4712.

The proposed National LEV program is based in part on the California motor vehicle program, whose light-duty exhaust emissions standards are more stringent than the federal counterparts. In an effort to reduce duplicative testing burdens for the vehicle manufacturers,

and to provide added incentive for vehicle manufacturers to opt into the National LEV program, EPA stated its intent in the National LEV proposal to harmonize certain elements of the California and federal requirements, including the federal and California requirements for evaporative emissions testing. In the proposal, EPA noted that an investigative program was underway, with support from CARB and the vehicle manufacturers, to examine the relative stringency of the test fuel and test temperature provisions of the federal and California evaporative emission testing requirements. The investigative program has been completed, and today's notice announces the availability of the contractor's final report on the testing. The specific relevance of this test program to policy decisions in the National LEV program will be addressed in a subsequent final action to implement that program.

The contractor's final report is available to the public and may be inspected in the public docket, No. A-95-26, at the location provided above in **ADDRESSES**. In addition, electronic copies of the contractor's report are available from the EPA internet site and via dial-up modem on the Technology Transfer Network (TTN) electronic bulletin board system (BBS).

Internet:

<http://www.epa.gov/OMSWWW/gopher://gopher.epa.gov> Menu—>Offices:Air:OMS
<ftp://ftp.epa.gov> Directory—>pub/gopher/OMS

TTN BBS:

919-541-5742 (1,200-14,400 bps, no parity, eight data bits, one stop bit) (Off-line Mondays 8:00-12:00 Noon ET). Voice help: 919-541-5384

Use the following menu choices from the Top Menu to access the [technical report].

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    AREAS
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<K> Rulemaking & Reporting
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Dated: July 1, 1996.
 Mary D. Nichols,
Assistant Administrator.
 [FR Doc. 96-17645 Filed 7-10-96; 8:45 am]
 BILLING CODE 6560-50-P

FEDERAL ELECTION COMMISSION

Sunshine Act Meeting

DATE AND TIME: Tuesday, July 16, 1996 at 10:00 a.m.

PLACE: 999 E Street, N.W., Washington, D.C.

STATUS: This meeting will be closed to the public.

ITEMS TO BE DISCUSSED:

Compliance matters pursuant to 2 U.S.C. § 437g.

Audits conducted pursuant to 2 U.S.C. § 437g, § 438(b), and Title 26, U.S.C.

Matters concerning participation in civil actions or proceedings or arbitration.

Internal personnel rules and procedures or matters affecting a particular employee.

DATE AND TIME: Thursday, July 18, 1996 at 10:00 a.m.

PLACE: 999 E Street, N.W., Washington, D.C.

STATUS: This meeting will be open to the public.

ITEMS TO BE DISCUSSED:

Correction and Approval of Minutes.

Advisory Opinion 1996-26: Elaine Acevedo on behalf of FTD Association.

Advisory Opinion 1996-27: James A. Boyd, Treasurer, Libertarian Party of Illinois.

Administrative Matters.

PERSON TO CONTACT FOR INFORMATION:

Mr. Ron Harris, Press Officer,
 Telephone: (202) 219-4155.

Delores Hardy,

Administrative Assistant.

[FR Doc. 96-17827 Filed 7-9-96; 3:06 pm]

BILLING CODE 6715-01-M

FEDERAL HOUSING FINANCE BOARD

Sunshine Act Meeting

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 61 FR 33117, June 26, 1996.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: 10:00 a.m., July 3, 1996.

CHANGES IN THE MEETING: The following topic was withdrawn from the open portion of the meeting:

- Procedures for Resolution of Outstanding Examination or Supervisory Issues.

The following topic was added to the open portion of the meeting:

- Discussion of the proposed Federal Home Loan Bank System Compensation Regulation.

The Board determined that agency business required its consideration of these matters on less than seven days notice to the public and that no earlier notice of these changes in the subject matter of the meeting was possible.

CONTACT PERSON FOR MORE INFORMATION:

Elaine L. Baker, Secretary to the Board,
 (202) 408-2837.

Rita I. Fair,

Managing Director.

[FR Doc. 96-17832 Filed 7-9-96; 3:47 pm]

BILLING CODE 6725-01-M

FEDERAL MARITIME COMMISSION

Notice of Agreement(s) Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, D.C. Office of the Federal Maritime Commission, 800 North Capitol Street, N.W., 9th Floor. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 10 days after the date of the Federal Register in which this notice appears. The requirements for comments are found in section 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 203-011465-001.

Title: South America Pacific Coast Rate Agreement.

Parties:

Mediterranean Shipping Company
 S.A. Nedlloyd Lijnen BV.

Synopsis: The proposed amendment (1) adds Flota Mercante Grancolombiana S.A. as a party; (2) deletes the membership initiation fee and budget assessment provisions in favor of equal share agreement cost allocation; (3) deletes the prohibition against independent service contracts subject to revised service contract procedures; (4) provides for the continuity of effective service contracts entered into by new Agreement members prior to membership and procedures by which members may seek to participate in pre-existing service contracts of other members; and (5) makes other non-substantive changes.

Agreement No.: 203-011517-001.

Title: Space Charter and Sailing Agreement between American President

Lines, Ltd./Crowley American Transport, Inc.

Parties:

American President Lines, Ltd.
 Crowley American Transport, Inc.

Synopsis: The proposed amendment expands the geographic scope to include points in Puerto Rico or in the Continental United States via ports on the U.S. Atlantic or Gulf Coasts. It also expands the application of the Agreement to include vessels owned and chartered (including space chartered) by either party. The parties have requested a shortened review period.

Agreement No.: 203-011547.

Title: Israel Discussion Agreement.

Parties:

Israel Trade Conference
 China Ocean Shipping Company

Synopsis: The proposed Agreement authorizes the parties to discuss and agree, on a voluntary basis, on their respective tariffs, rates, service items, rules and service contracts and to exchange information and statistics in the trade between U.S. Atlantic, Gulf, Great Lakes and Pacific Coast ports and points (including Alaska and Hawaii) on the one hand, and Mediterranean ports of Israel, and Israeli inland points and Mediterranean coastal points via such ports, on the other hand.

Agreement No.: 224-200051-007.

Title: Lease Agreement Between Philadelphia Regional Port Authority and Tioga Fruit Terminal, Inc.

Parties:

Philadelphia Regional Port Authority
 Tioga Fruit Terminal, Inc.

Synopsis: The proposed amendment extends the option date for Tioga Fruit Terminal, Inc. to extend the lease for a second renewal term until June 30, 1996.

By Order of the Federal Maritime Commission.

Dated: July 5, 1996.

Joseph C. Polking,

Secretary.

[FR Doc. 96-17606 Filed 7-10-96; 8:45 am]

BILLING CODE 6730-01-M

Security for the Protection of the Public Indemnification of Passengers for Nonperformance of Transportation; Notice of Issuance of Certificate (Performance)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility for Indemnification of Passengers for Nonperformance of Transportation pursuant to the provisions of Section 3,

Public Law 89-777 (46 U.S.C. § 817(e)) and the Federal Maritime Commission's implementing regulations at 46 CFR Part 540, as amended:

Costa Cruise Lines N.V. and Costa Crociere S.p.A., 80 S.W. 8th Street, Miami, Florida 33130-3097

Vessel: COSTA VICTORIA

Dated: July 8, 1996.

Joseph C. Polking,

Secretary.

[FR Doc. 96-17683 Filed 7-10-96; 8:45 am]

BILLING CODE 6730-01-M

Security for the Protection of the Public Indemnification of Passengers for Nonperformance of Transportation; Notice of Issuance of Certificate (Performance)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility for Indemnification of Passengers for Nonperformance of Transportation pursuant to the provisions of Section 3, Public Law 89-777 (46 U.S.C. § 817(e)) and the Federal Maritime Commission's implementing regulations at 46 CFR Part 540, as amended:

Holland America Line-Westours, Inc. (d/b/a Holland America Line) and Holland America Line N.V., 300 Elliott Avenue West, Seattle, Washington 98119

Vessels: MAASDAM, NIEUW AMSTERDAM, NOORDAM, ROTTERDAM, RYNDAM, STATENDAM, WESTERDAM

Holland America Line-Westours, Inc. (d/b/a Holland America Line) and HAL Cruises Limited, 300 Elliott Avenue West, Seattle, Washington 98119

Vessel: VEENDAM

Holland America Line-Westours, Inc. (d/b/a Windstar Cruises) and Wind Star Limited, 300 Elliott Avenue West, Seattle, Washington 98119

Vessel: WIND STAR

Holland America Line-Westours, Inc. (d/b/a Windstar Cruises) and Wind Spirit Limited, 300 Elliott Avenue West, Seattle, Washington 98119

Vessel: WIND SPIRIT

Dated: July 5, 1996.

Joseph C. Polking,

Secretary.

[FR Doc. 96-17603 Filed 7-10-96; 8:45 am]

BILLING CODE 6730-01-M

Security for the Protection of the Public; Financial Responsibility To Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages; Notice of Issuance of Certificate (Casualty)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility To Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages pursuant to the provisions of Section 2, Public Law 89-777 (46 U.S.C. 817(d)) and the Federal Maritime Commission's implementing regulations at 46 CFR part 540, as amended:

Holland America Line-Westours, Inc. (d/b/a Holland America Line), Holland America Line N.V. and HAL Nederland N.V., 300 Elliott Avenue West, Seattle, Washington 98119

Vessels: MAASDAM, RYNDAM, STATENDAM

Holland America Line-Westours, Inc. (d/b/a Holland America Line), Holland America Line N.V. and HAL Antillen N.V., 300 Elliott Avenue West, Seattle, Washington 98119

Vessels: NIEUW AMSTERDAM, NOORDAM, ROTTERDAM, WESTERDAM

Holland America Line-Westours, Inc. (d/b/a Holland America Line), HAL Cruises Limited and Wind Surf Limited, 300 Elliott Avenue West, Seattle, Washington 98119

Vessel: VEENDAM

Dated: July 5, 1996.

Joseph C. Polking,

Secretary.

[FR Doc. 96-17604 Filed 7-10-96; 8:45 am]

BILLING CODE 6730-01-M

Ocean Freight Forwarder License; Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, DC 20573.

Air & Ocean International, Inc., 2500 Williamsburg Drive, Laplace, 70068-0000, Officers: Eva Perez, President; Luis Acosta, Vice President
Murphy Shipping & Commercial Services, Inc., 8960 Spring Branch Road, Houston, TX 77080, Officers:

Ron Johns, President; June Adams, Vice President

S.A.C. International Forwarding, Inc., 8442 N.W. 70th Street, Miami, FL 33166, Officer: Marianela Villar Zquierdo, President.

Dated: July 5, 1996.

Joseph C. Polking,

Secretary.

[FR Doc. 96-17605 Filed 7-10-96; 8:45 am]

BILLING CODE 6730-01-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4099-N-02]

Office of Housing; Submission for OMB review: comment request

AGENCY: Office of the Assistant Secretary for Housing, HUD.

ACTION: Notice.

SUMMARY: The proposed information collection requirement described below has been submitted to the Office of Management and Budget (OMB) for emergency review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

DATES: Comments due date July 18, 1996.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments must be received within seven (7) days from the date of this Notice. Comments should refer to the proposal by name and/or OMB approval number and should be sent to: Joseph F. Lackey, Jr., OMB Desk Officer, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, D.C. 20503.

FOR FURTHER INFORMATION CONTACT: Kay F. Weaver, Reports Management Officer, Department of Housing and Urban Development, 451 7th Street, Southwest, Washington, D.C. 20410, telephone (202) 708-0050. This is not a toll-free number. Copies of the proposed forms and other available documents submitted to OMB may be obtained from Ms. Weaver.

The Notice is soliciting comments from members of the public and affecting agencies concerning the proposed collection of information to: (1) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) evaluate the accuracy of the agency's estimate of the

burden of the proposed collection of information; (3) enhance the quality, utility, and clarity of the information to be collected; and (4) minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice also lists the following information:

Title of Proposal: Mark to Market/ Portfolio Reengineering, Demonstration Program Guidelines Proposal, Submission Requirements and Processing.

OMB Control Number: 2502-xxxx.

Description of the need for the information and proposed use: This notice describes the application and processing procedures for a demonstration program that is designed to restructure the financing of projects that have FHA-insured mortgages and that receive section 8 rent assistance. The purpose of this Congressionally authorized demonstration is to test the feasibility and desirability of multifamily projects meeting their financial and other obligations with or without FHA insurance and/or Section 8 assistance. In negotiating agreements with eligible project owners, HUD must act to protect the financial interests of the federal government, while taking into account the need for assistance of low- and very low-income tenants. HUD anticipates that, over time, it will publish additional guidance that reflects the experience derived through the execution of successful agreements with project owners.

I. Background

The demonstration, title FHA Multifamily Demonstration Authority, is authorized by Section 210 of the Balanced Budget Down Payment Act, II (Pub. L. No. 104-134, 110 Stat. 1321, April 26, 1996). It reflects concern of both the Congress and the Administration about budgetary costs and social issues associated with the renewal of Section 8 project-based assistance contracts on multifamily properties having FHA-insured mortgages.

Section 210 of the Balanced Budget Act provides HUD with a number of special tools (i.e., departures from many laws that would ordinarily apply), enabling HUD to restructure the financing of projects, while protecting the interest of tenants.

II. HUD Processing of Reengineering Proposals

A. Owners will submit proposals to George Dipman at the address below with a copy of the Multifamily Housing Director in the local HUD Field Office having jurisdiction over the property(ies) contained in the proposal: George C. Dipman, Office of Multifamily Housing, U.S. Department of Housing and Urban Development, 451 Seventh Street, S.W. (Room 6174), Washington, D.C. 20410-4000.

B. Once received, HUD will process according to the following steps:

1. Proposal will be dated, logged in and given a process locating number;
2. Proposal will be reviewed to determine that it meets threshold qualifying requirements and for completeness;
3. Substantially complete proposals will be assigned to a reengineering project manager who will be the initial liaison with the owner;
4. The project manager will work with the owner to refine the proposal for conceptual review. The manager may work independently or in conjunction with HUD consultants;
5. Approximately 30 days after receipt of a substantially complete proposal, the project will be presented to an internal HUD headquarters reengineering committee for conceptual review.

6. The reengineering committee will consider the following in determining whether to recommend for final negotiation and processing:

- a. compliance with basic project eligibility criteria;
- b. adequacy of proposal vis a vis the submission requirements;
- c. whether proposal "fits" within demonstration authorities/tools;
- d. whether proposal satisfies requirements of the demonstration program and its program principles;
- e. determination cost of the proposed transaction under the Credit Reform Act of 1990.

C. Conceptual review will result in one of three courses of action: rejection; return for clarification; or recommended for restructuring. If the project is recommended for restructuring, it will be referred either to a HUD staff person or HUD consultant for processing, or bundled (with the consent of the owner) with other projects for resolution by a third party joint-venture partner.

D. All projects, regardless of the implementing vehicle, will return to the reengineering review committee for final approval once terms are agreed to and due diligence is completed.

E. Projects with final approval will be referred back to the appropriate staff, consultants or third parties for closing.

III. Submission Requirements

On behalf of eligible properties, owners or their agents must provide the following information. This information is to be in summary format and is intended for conceptual review only. After conceptual approval, more detailed information and associated due diligence will be required.

1. Basic project information
 - a. project name and address and photos;
 - b. number of units (total and assisted) together with a breakdown of unit sizes; fair markets rents, estimated market rents and contract rents on a monthly per unit basis;
 - c. owner name and address and outline of ownership structure;
 - d. management agent name and address;
 - e. lender name and address;
 - f. servicer name and address;
 - g. FHA and Section 8 project identification numbers;
2. FHA Mortgage Information
 - a. type of FHA Insurance;
 - b. date of endorsement and term/maturity date;
 - c. interest rate and interest subsidy, if any;
 - d. original mortgage amount and latest unpaid balance;
 - e. monthly principle and interest payments;
 - f. account status, current (Y/N), amount of arrearage, if any;
 - g. liens included taxes or title issues;
 - h. current balance of accumulated residual receipts, if any;
 - e. number of Section 8 contracts in effect;
 - j. basis for calculating contract rents levels budget based, annual adjustment factor, factored rents, other
 - k. tenant paid component of rents;
 1. current occupancy;
 - m. year to date operating statement.
3. Physical Description and Neighborhood
 - a. summary description of construction and development type, physical condition, title or environmental issues;
 - b. description of financial condition, and market position;
 - c. occupancy profile, including: income, family size, senior/disabled component, residents, employment status, etc.;
 - d. description of the neighborhood including physical, social services, public safety and school characteristics;
 - e. rental market description and trends (improving, stable deteriorating) for assisted and unassisted projects;
4. Description of reengineering proposal

- a. target market, long term affordability commitments, and transition plan;
- b. rehabilitation requirements including market enhancement and cost estimates;
- c. principle reduction;
- d. new financing source and terms;
- e. proforma with 15 year cashflow; discuss major assumptions, i.e. rent and expense decreases, vacancy, turnover, relocation, debt service and reserves. Important ratios will be expense ratio, debt coverage, loan to value;
- f. sources and uses of reengineering financing including equity, interim financing, permanent financing, local government assistance, etc.;
- g. type and term of tenant assistance required (project based or voucher)
- h. consents of partners required to participate.

SUPPLEMENTARY INFORMATION: The Department has submitted the proposal

for the collection of information, as described below, to OMB for emergency review, as required by the Paperwork Reduction Act (44 U.S.C. Chapter 35). July 9, 1996 is requested for OMB approval.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 35, as amended.

Dated: July 3, 1996.

David S. Cristy,
Acting Director, Information Resources Management Policy and Management Division.

Notice of Submission of Proposed Information Collection to OMB

Title of Proposal: Mark to Market/ Portfolio Reengineering, Demonstration Program Guidelines Proposal, Submission Requirements and Processing.

Office: Office of the Assistant Secretary Housing-Federal Housing Commissioner.

OMB Approval Number: 2502-xxxx.

Description of the Need for the Information and Its Proposed Use: This information is required from projects that have FHA-insured mortgages and that receive Section 8 rent assistance. This notice describes the application and processing procedures for a demonstration program that is designed to restructure the financing of the projects. The demonstration is to test the feasibility and desirability of multifamily projects meeting their financial and other obligations with or without FHA insurance and/or Section 8 assistance.

Form Number: None.

Respondents: 200.

Frequency of Submission: Once.

Reporting Burden:

	Number of respondents	×	Frequency of response	×	Hours per response	=	Burden hours
	200	...	1	...	80	...	16,000

Total Estimated Burden Hours: 16,000.

Status: New collection.

Contact: George C. Dipman, HUD, (202) 708-0614, extension 2574; Joseph F. Lackey, Jr., OMB, (202) 395-7316.

Dated: July 3, 1996.

[FR Doc. 96-17638 Filed 7-10-96; 8:45 am]

BILLING CODE 4210-27-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[NV-030-5700-10; Closure Notice No. NV-030-96-003]

Temporary Closure of Public Lands; Washoe County, Nevada

AGENCY: Bureau of Land Management, Nevada.

SUMMARY: The Carson City District Manager announces the temporary closure of selected public lands under his administration. This action is being taken to provide for public safety during the 1996 Reno National Championship Air Races.

EFFECTIVE DATES: September 9 through September 15, 1996.

FOR FURTHER INFORMATION CONTACT: James M. Phillips, Assistant District Manager, Division of Nonrenewable Resources, Carson City District Office, 1535 Hot Springs Road, Carson City,

Nevada 89706-0638. Telephone (702) 885-6100.

SUPPLEMENTARY INFORMATION: This closure applies to all the public, on foot or in vehicles. The public lands affected by this closure are described as follows:

Mt. Diablo Meridian

T. 21 N., R. 19E.,

Sec. 8, N¹/₂NE¹/₄, SE¹/₄NE¹/₄ and E¹/₂SE¹/₄;

Sec. 16, N¹/₂ and SW¹/₄.

Aggregating approximately 680 acres.

The above restrictions do not apply to emergency or law enforcement personnel or event officials. The authority for this closure is 43 CFR 8364.1. Persons who violate this closure order are subject to arrest and, upon conviction, may be fined not more than \$1,000 and/or imprisoned for not more than 12 months.

A map of the closed area is posted in the Carson City District Office of the Bureau of Land Management.

Dated: June 25, 1996.

James M. Phillips,

Assistant District Manager, Division of Nonrenewable Resources.

[FR Doc. 96-17611 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-HC-M

[NM-931-06-1020-00]

New Mexico Resource Advisory Council Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of Council Meeting.

SUMMARY: In accordance with the Federal Land Policy and Management Act and the Federal Advisory Committee Act of 1972 (FACA), 5 U.S.C. Appendix 1, The Department of the Interior, Bureau of Land Management (BLM), announces the meeting of the New Mexico Resource Advisory Council (RAC). The meeting will be held on August 1 and 2, 1996 at the Best Western Inn and Suites, 700 Scott Avenue, Farmington. In addition on August 3, 1996 there is an attendance optional field tour in the Farmington area for RAC members. The two day agenda for the RAC meeting includes a discussion of the results of scoping meetings on the New Mexico RAC Draft Standards for Rangeland Health and Guidelines for Livestock Grazing (S&G), development of revisions to the S&G as needed, a time for the public to address the RAC and selection of the location and date for the next RAC meeting. The meeting is open to the public. The time for the public to address the RAC is on the first day, August 1, 1996, from 3:00 p.m. to 5:00 p.m. The RAC may reduce or extend the end time of 5:00 p.m. depending on the number of people wishing to address the RAC and the length of time available. The length of time available for each person to address the RAC will be established at the start of the public comment period and will depend on how many people

there are that wish to address the RAC. At the completion of the public comments the RAC may continue discussion on its Agenda items.

DATES: The RAC will meet on Thursday, August 1, 1996 from 8:30 a.m. to 5:00 p.m. and on Friday, August 2, 1996, from 7:30 a.m. to 5:00 p.m. The public may address the RAC during the public comment period on August 1, 1996 starting at 3:00 p.m.

FOR FURTHER INFORMATION CONTACT: Bob Armstrong, New Mexico State Office, Policy and Planning Team, Bureau of Land Management, 1474 Rodeo Road, P.O. Box 27115, Santa Fe, New Mexico 87502-0115, telephone (505) 438-7436.

SUPPLEMENTARY INFORMATION: The purpose of the Resource Advisory Council is to advise the Secretary of the Interior, through the BLM, on a variety of planning and management issues associated with the management of public lands. The Council's responsibilities include providing advice on long-range planning, establishing resource management priorities and assisting the BLM to identify State and regional standards for rangeland health and guidelines for grazing management.

Dated: July 5, 1996.

William C. Calkins,
State Director.

[FR Doc. 96-17641 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-FB-M

[CA-940-5700-00; CACA 7645]

Public Land Order No. 7205; Partial Revocation of Secretarial Order dated July 9, 1927; California

AGENCY: Bureau of Land Management, Interior.

ACTION: Public Land Order.

SUMMARY: This order partially revokes a Secretarial order insofar as it affects 162.07 acres of National Forest System lands withdrawn for Power Site Classification No. 183. The lands are no longer needed for this purpose, and the revocation is necessary to facilitate the completion of a land exchange under the General Exchange Act of 1922. This action will open the lands to such forms of disposition as may by law be made of National Forest System lands. The lands are temporarily closed to mining by a Forest Service exchange proposal. The lands have been and remain open to mineral leasing, and to mining under the provisions of the Mining Claims Rights Restoration Act of 1955. The Federal Energy Regulatory Commission has concurred with this action.

EFFECTIVE DATE: August 12, 1996.

FOR FURTHER INFORMATION CONTACT: Kathy Gary, BLM California State Office, 2800 Cottage Way, Sacramento, California 95825, 916-979-2858.

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

1. The Secretarial Order dated July 9, 1927, which withdrew National Forest System lands for Power Site Classification No. 183, is hereby revoked insofar as it affects the following described lands:

Mount Diablo Meridian

T. 18 N., R. 10 E.,

Sec. 16, lot 9;

Sec. 18, lot 4, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$.

The areas described aggregate 162.07 acres in Nevada County.

2. At 9 a.m. on August 12, 1996, the lands will be opened to such forms of disposition as may by law be made of National Forest System lands, subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law.

The lands have been open to mining under the provisions of the Mining Claim Rights Restoration Act of 1955, 30 U.S.C. 621 (1988), and these provisions are no longer required.

Dated: April 24, 1996

Bob Armstrong,

Assistant Secretary of the Interior.

[FR Doc. 96-17614 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-40-P

[OR-958-1430-01; GP6-0064; OR-19664 (WASH)]

Public Land Order No. 7204; Partial Revocation of Secretarial Order Dated February 20, 1934; Washington

AGENCY: Bureau of Land Management, Interior.

ACTION: Public Land Order.

SUMMARY: This order revokes a Secretarial order insofar as it affects 9.60 acres of public land withdrawn for the Bureau of Land Management's Powersite Classification No. 282. The land is no longer needed for this purpose, and the revocation is needed to permit disposal of the land through land exchange. This action will open the land to surface entry subject to temporary segregations of record. The land has been and will remain open to mining and mineral leasing.

EFFECTIVE DATE: October 10, 1996.

FOR FURTHER INFORMATION CONTACT:

Betty McCarthy, BLM Oregon/ Washington State Office, P.O. Box 2965, Portland, Oregon 97208-2965, 503-952-6155.

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

1. The Secretarial Order dated February 20, 1934, which established Powersite Classification No. 282, is hereby revoked insofar as it affects the following described land:

Willamette Meridian

T. 7 N., R. 44 E.,

Sec. 34, lot 10.

The area described contains 9.60 acres in Asotin County.

2. The State of Washington has a preference right for public highway right-of-way or material sites for a period of 90 days from the date of publication of this order and any location, entry, selection, or subsequent patent shall be subject to any rights granted the State as provided by the Act of June 10, 1920, Section 24, as amended, 16 U.S.C. 818 (1988).

3. At 8:30 a.m. on October 10, 1996, the land described above will be opened to the operation of the public land laws generally, subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law. All valid applications received at or prior to 8:30 a.m., on October 10, 1996, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

Dated: June 24, 1996.

Bob Armstrong,

Assistant Secretary of the Interior.

[FR Doc. 96-17610 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-33-P

[ID-957-1910-00-4573]

Idaho: Filing of Plats of Survey; Idaho

The plat, in 3 sheets, of the following described land was officially filed in the Idaho State Office, Bureau of Land Management, Boise, Idaho, effective 9 a.m. July 1, 1996.

The plat, in 3 sheets, representing the dependent resurvey of portions of the east boundary and subdivisional lines, the subdivision of certain sections (portions of the subdivisional lines and subdivision of sections 35 and 36 include the boundaries of Fort Hall Townsite), and a metes-and-bounds survey in the Fort Hall Townsite in

section 36, T. 4 S., R. 34 E., Boise Meridian, Idaho, Group No. 848, was accepted, July 1, 1996.

This survey was executed to meet certain administrative needs of the Bureau of Indian Affairs, Fort Hall Agency.

All inquiries concerning the survey of the above described land must be sent to the Chief, Cadastral Survey, Idaho State Office, Bureau of Land Management, 3380 Americana Terrace, Boise, Idaho 83706-2500.

Dated: July 1, 1996.

Duane E. Olsen,

Chief Cadastral Surveyor for Idaho.

[FR Doc. 96-17612 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-GG-M

[ID-957-1150-00]

Idaho: Filing of Plats of Survey; Idaho

The plat of the following described land was officially filed in the Idaho State Office, Bureau of Land Management, Boise, Idaho, effective 9:00 a.m. July 1, 1996.

The plat representing the dependent resurvey of portions of the south boundary and of the subdivisional lines, and the subdivision of sections 28, 29, and 32, T. 11 N., R. 4 W., Boise Meridian, Idaho, Group No. 937, was accepted, July 1, 1996.

This survey was executed to meet certain administrative needs of the Bureau of Land Management. All inquiries concerning the survey of the above described land must be sent to the Chief, Cadastral Survey, Idaho State Office, Bureau of Land Management, 3380 Americana Terrace, Boise, Idaho, 83706-2500.

Dated: July 1, 1996.

Duane E. Olsen,

Chief Cadastral Surveyor for Idaho.

[FR Doc. 96-17613 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-GG-M

Minerals Management Service

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of reinstatement of a previously approved collection.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, MMS invites the public and other Federal agencies to comment on a request to reinstate a previously approved collection of information

contained in regulations governing Pollution Prevention and Control in the Outer Continental Shelf (OCS). The MMS will request approval from the Office of Management and Budget (OMB) to reinstate this collection of information. The Paperwork Reduction Act of 1995 (PRA) provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

DATES: Submit written comments by September 9, 1996.

ADDRESSES: Direct all written comments to the Department of the Interior, Minerals Management Service, Mail Stop 4700, 381 Elden Street, Herndon, VA 20170-4817; Attention: Chief, Engineering and Standards Branch.

FOR FURTHER INFORMATION CONTACT: Alexis London, Engineering and Standards Branch, Minerals Management Service, telephone (703) 787-1600.

SUPPLEMENTARY INFORMATION:

Title: 30 CFR Part 250, Subpart C, Pollution Prevention and Control.

Abstract: 1. The Outer Continental Shelf Lands Act (OCSLA), at 43 U.S.C. 1331 *et seq.*, requires the Secretary of the Interior (Secretary) to preserve, protect, and develop oil and gas resources in the OCS; make such resources available to meet the Nation's energy needs as rapidly as possible; balance orderly energy resource development with protection of the human, marine, and coastal environment; ensure the public a fair and equitable return on the resources offshore; and preserve and maintain free enterprise competition. The OCSLA Amendments of 1978 also require the Secretary to minimize or eliminate conflicts of oil and natural gas exploration, development, and production, with the recovery of other resources such as fish and shellfish. To carry out these responsibilities, MMS has issued regulations as described in 30 CFR Part 250, Subpart C, Pollution Prevention and Control.

2. The MMS OCS Regions use the information collected to ensure OCS operations are conducted to minimize the threat of serious, irreparable, or immediate damage to the marine environment; to identify potential hazards to commercial fishing; to ensure that the location of items lost overboard are recorded to aid in recovery during site clearance activities on the lease; to ensure that operations are being conducted safely and workman-like and do not threaten the environment; to ensure that crew members are fully

trained and able to quickly respond to an oil spill; to ensure that pollution response equipment is maintained in good operating condition; to ensure timely reporting of oil spills; to ensure air emissions will not significantly affect onshore air quality; and to assess the ability of a lessee to prevent or contain any spills.

3. The MMS recently conducted a pilot project with respect to the collection of information required in 30 CFR 250.41(c) on reporting of oil spills. Our objective was to assess the impact of eliminating the requirement for lessees and operators to report to MMS oil spills of less than one barrel. The Federal Water Pollution and Control Act requires lessees and operators to immediately notify the National Response Center of spills of oil into any body of water, including navigable waters offshore out to approximately 200 miles. The survey results showed that MMS can obtain information on oil spills of one barrel or less from the National Response Center within necessary timeframes. To expedite this reporting burden reduction and eliminate a duplicate requirement, MMS issued a "Notice to Lessees (NTL) and Operators of Federal Oil and Gas Leases in the Outer Continental Shelf," effective May 31, 1996. The regulations will be amended to reflect this change. This reduces the number of oil spills lessees must report to MMS by over 95 percent, and the savings have been accounted for in the estimate of burden hours for this collection of information.

4. The information required by 30 CFR 250.45(b)(2) and 250.46(a)(6) is covered in 30 CFR 250.33 and 250.34, Subpart B (OMB Control Number 1010-0049). Consequently, we have not included any hours for this section.

5. Lessees' proprietary information will be protected according to the Freedom of Information Act and 30 CFR 250.18. The collection does not include items of a sensitive nature. The requirement to respond is mandatory. The reporting and recordkeeping requirements vary for each section. The estimates below are based on an average obtained from consultations with lessees in the Gulf of Mexico and Pacific Regions.

Description of Respondents: Federal OCS oil and gas lessees.

Frequency: On occasion; varies by section.

Estimated Number of Respondents: 130.

Estimate of Burden: Reporting average of 42.9 hours per response; recordkeeping average of 162.9 hours per recordkeeper.

Estimate of Total Annual Burden on Respondents: Reporting burden estimate = 55,705 hours; recordkeeping burden estimate = 21,180 hours. Estimated combined total of 76,813 hours.

Estimate of Total Annual Cost to Respondents for Burden Hours: Based on \$35 per hour, the total cost to lessees is estimated to be \$2,688,455.

Estimate of Total Other Annual Costs to Respondents: Unknown.

Type of Request: Reinstatement.
OMB Control Number: 1010-0057.
Form Number: N/A.

Comments: The MMS will summarize written responses to this notice and address them in the request for OMB approval. All comments will become a matter of public record.

1. The MMS specifically solicits comments on the following questions:

(a) Is the proposed collection of information necessary for the proper performance of MMS' functions, and will it be useful?

(b) Are the estimates reasonable for the burden of the proposed collection?

(c) Do you have any suggestions that would enhance the quality, clarity, or usefulness of the information to be collected?

(d) Is there a way to minimize the information collection burden on those who are to respond, including use of appropriate automated electronic, mechanical, or other forms of information technology?

2. In addition, the PRA requires agencies to estimate the total annual cost burden to respondents or recordkeepers resulting from the collection of information. The MMS needs your comments on this item. Your response should split the cost estimate into two components:

(a) Total capital and startup cost component.

(b) Annual operation, maintenance, and purchase of services component.

Your estimates should consider costs associated with generating, maintaining, and disclosing or providing the information. You should include descriptions of methods used to estimate major cost factors, including system and technology acquisition, expected useful life of capital equipment, discount rate(s), and period over which costs will be incurred. Capital and startup costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling, and testing equipment; and record storage facilities. Generally, your estimates should not include equipment or services purchases: (1) October 1, 1995; (2) to achieve regulatory compliance

with requirements not associated with the information collection; (3) for reasons other than to provide information or keep records for the Government; or (4) as part of customary and usual business or private practices.

Bureau Clearance Officer: Carole A. deWitt (703) 787-1242.

Dated: July 3, 1996.
Henry G. Bartholomew,
Deputy Associate Director for Operations and Safety Management.
[FR Doc. 96-17615 Filed 7-10-96; 8:45 am]
BILLING CODE 4310-MR-M

Availability of Outer Continental Shelf Official Protraction Diagrams

AGENCY: Minerals Management Service, Interior.

ACTION: Publication of New North American Datum (NAD) 83 Outer Continental Shelf Official Protraction Diagrams (OPD's).

Notice is hereby given that effective with this publication, the following NAD 83-based Outer Continental Shelf (OCS) Official Protraction Diagrams (OPD's) for the Beaufort Sea area are on file and available in the Alaska OCS Region office, Anchorage, Alaska. They reflect current baseline and boundary information portrayed on a metric NAD 83 cadastre. These OPD's should be used for the Offshore Program within the Beaufort Sea.

Description	Date
NR 05-01, Dease Inlet	February 1, 1996.
NR 05-02, Harrison Bay North.	February 1, 1996.
NR 05-03, Teshekpuk	February 1, 1996.
NR 05-04, Harrison Bay	February 1, 1996.
NR 06-01, Beechey Point North.	February 1, 1996.
NR 06-02, Flaxman Island North.	February 1, 1996.
NR 06-03, Beechey Point	February 1, 1996.
NR 06-04, Flaxman Island	February 1, 1996.
NR 06-06, Mt. Michaelson	February 1, 1996.
NR 07-01, (Unnamed)	February 1, 1996.
NR 07-02, (Unnamed)	February 1, 1996.
NR 07-03, Barter Island ...	February 1, 1996.
NR 07-04, Mackenzie Canyon North.	February 1, 1996.
NR 07-05, Demarcation Point.	February 1, 1996.
NR 07-06, Mackenzie Canyon.	February 1, 1996.

Description	Date
NS 05-03, (Unnamed)	February 1, 1996.
NS 05-04, (Unnamed)	February 1, 1996.
NS 05-05, (Unnamed)	February 1, 1996.
NS 05-06, (Unnamed)	February 1, 1996.
NS 05-07, Barrow Canyon	February 1, 1996.
NS 05-08, Canada Basin West.	February 1, 1996.
NS 06-06, (Unnamed)	February 1, 1996.
NS 06-07, Canada Basin	February 1, 1996.
NS 06-03, (Unnamed)	February 1, 1996.
NS 06-05, (Unnamed)	February 1, 1996.
NS 06-08, (Unnamed)	February 1, 1996.
NS 07-05, (Unnamed)	February 1, 1996.
NS 07-06, (Unnamed)	February 1, 1996.
NS 07-07, Beaufort Terrace.	February 1, 1996.
NS 07-08, (Unnamed)	February 1, 1996.
NS 08-05, (Unnamed)	February 1, 1996.
NS 08-07, (Unnamed)	February 1, 1996.

ADDRESSES: Copies of these OPD's may be purchased for \$2.00 each from the Minerals Management Service, Alaska OCS Region, 949 East 36th Avenue, Room 308, Anchorage, Alaska 99508-4302, Attention: Tina Huffaker, Library, (907) 271-6621.

FOR FURTHER INFORMATION CONTACT: Technical comments or questions pertaining to these maps should be directed to Mr. Tom Warren, Chief, Leasing Activities Section, at the address stated above, or at (907) 271-6691.

Dated: July 3, 1996.
Rance R. Wall,
Acting Regional Director, Alaska OCS Region.
[FR Doc. 96-17650 Filed 7-10-96; 8:45 am]
BILLING CODE 4310-MR-P

National Park Service
Dayton Aviation Heritage Commission
AGENCY: National Park Service, Interior.
ACTION: Notice of meeting.

SUMMARY: This notice sets the schedule for the forthcoming meeting of the Dayton Aviation Heritage Commission. Notice of this meeting is required under the Federal Advisory Committee Act (Pub. L. 92-463).

MEETING DATE, TIME, AND ADDRESS: Monday, August 26, 1996; 2 to 4 p.m.,

Innerwest Priority Board conference room, 1024 West Third Street, Dayton, Ohio 45407.

AGENDA: This business meeting will be open to the public. Space and facilities to accommodate members of the public are limited and persons accommodated on a first-come, first-served basis. The Chairman will permit attendees to address the Commission, but may restrict the length of presentations. An agenda will be available from the Superintendent, Dayton Aviation, 1 week prior to the meeting.

FOR FURTHER INFORMATION CONTACT: William Gibson, Superintendent, Dayton Aviation, National Park Service, P.O. Box 9280, Wright Brothers Station, Dayton, Ohio 45409, or telephone 513-225-7705.

SUPPLEMENTARY INFORMATION: The Dayton Aviation Heritage Commission was established by Public Law 102-419, October 16, 1992.

Dated: June 27, 1996.
William W. Schenk,
Field Director, Midwest Field Area.
[FR Doc. 96-17679 Filed 7-10-96; 8:45 am]
BILLING CODE 4310-70-P

Keweenaw National Historical Park Advisory Commission Meeting

AGENCY: National Park Service, Interior.
ACTION: Notice of meeting.

SUMMARY: This notice announces an upcoming meeting of the Keweenaw National Historical Park Advisory Commission. Notice of this meeting is required under the Federal Advisory Committee Act (Public Law 92-463).

MEETING DATE AND TIME: Tuesday, August 6, 1996; 8:30 a.m. until 4:30 p.m.

ADDRESS: Keweenaw National Historical Park Headquarters, 100 Red Jacket Road (2nd floor), Calumet, Michigan 49913-0471.

AGENDA TOPICS INCLUDE: The Chairman's welcome; minutes of the previous meeting; update on the general management plan; update on park activities; old business; new business; next meeting date; adjournment. This meeting is open to the public.

SUPPLEMENTARY INFORMATION: The Keweenaw National Historical Park was established by Public Law 102-543 on October 27, 1992.

FOR FURTHER INFORMATION CONTACT: Superintendent, Keweenaw National Historical Park, William O. Fink, P.O. Box 471, Calumet, Michigan 49913-0471, 906-337-3168.

Dated: June 27, 1996.
William W. Schenk,
Field Director, Midwest Field Area.
[FR Doc. 96-17680 Filed 7-10-96; 8:45 am]
BILLING CODE 4310-70-P

Manzanar National Historic Site Advisory Commission; Notice of Meeting

Notice is hereby given in accordance with the Federal Advisory Committee Act that a meeting of the Manzanar National Historic Site Advisory Commission will be held at 1:00 p.m. on Friday, July 26, 1996 in the Commissioners Board Room, 15th Floor of the General Office Building of the Los Angeles Department of Water and Power, 111 North Hope Street (First and Hope Streets), Los Angeles, California, to hear presentations on issues related to the planning, development, and management of Manzanar National Historic Site.

The Advisory Commission was established by Public Law 102-248, to meet and consult with the Secretary of the Interior or his designee, with respect to the development, management and interpretation of the site, including the preparation of a general management plan for the Manzanar National Historic Site.

Members of the Commission are as follows:

Ms. Sue Kunitomi Embrey, Chairperson
Mr. William Michael, Vice Chairperson
Mr. Keith Bright
Ms. Martha Davis
Mr. Ronald Izumita
Mr. Gann Matsuda
Mr. Vernon Miller
Mr. Mas Okui
Mr. Glenn Singley
Mr. Richard Stewart

The main agenda items for this meeting of the Commission will include the following:

- (1) Status report on the development of Manzanar National Historic Site by Superintendent Ross R. Hopkins.
- (2) Review of the public comments received on the draft park general management plan.
- (3) General discussion of miscellaneous matters pertaining to future Commission activities and Manzanar National Historic Site development issues.

(4) Public comment period. This meeting is open to the public. It will be recorded for documentation and transcribed for dissemination. Minutes of the meeting will be available to the public after approval of the full

Commission. A transcript will be available after August 31, 1996. For a copy of the minutes, contact the Superintendent, Manzanar National Historic Site, P.O. Box 426, Independence, California 93526.

Dated: July 3, 1996.
Ross R. Hopkins,
Superintendent, Manzanar National Historic Site.
[FR Doc. 96-17682 Filed 7-10-96; 8:45 am]
BILLING CODE 4310-70-P

Cuyahoga Valley National Recreation Area

AGENCY: National Park Service, Interior Department.

ACTION: Notice of bid sale.

SUMMARY: This notice announces the request for sealed bids for the sale of Cuyahoga Valley National Recreation Area Tract 109-68, a/k/a 5910 Main Street, Peninsula, Ohio. Freehold interest in the property is to be conveyed, including restrictive covenants attached to the deed. The minimum acceptable bid is \$44,500 plus a \$100 non-refundable processing fee. The fair market appraisal may be inspected at Park Headquarters, 15610 Vaughn Road, Brecksville, Ohio. Bids must be accompanied by earnest money equivalent to 2 percent of the appraised value or \$2,500, whichever is greater, with the balance of the bid due within 45 days of the award. Failure to submit the full bid price within 45 days will result in forfeiture of \$1,000 of deposited bid amount and the property will be awarded to the next highest bidder.

Monies must be submitted separately for the earnest money and non-refundable fee by certified check, post office money order, bank draft, or cashier's check, made payable to the United States of America for the full amount of the earnest money and non-refundable fee and sent to Superintendent, Cuyahoga Valley National Recreation Area, 15610 Vaughn Road, Brecksville, Ohio 44141. The property will be available for inspection from 2 to 4 p.m. on August 17, 1996, and August 25, 1996. Bids will be received until 2 p.m. on October 4, 1996. The successful high bidder shall have possession of property and title within sixty (60) days upon receipt of the full bid price.

FOR FURTHER INFORMATION CONTACT: Superintendent John P. Debo, Cuyahoga

Valley National Recreation Area, 15610 Vaughn Road, Brecksville, Ohio 44141 or call 216-546-5903.

SUPPLEMENTARY INFORMATION: This notice is being published in accordance with 36 CFR 17.4, July 1, 1992, and June 5, 1996.

Dated: June 26, 1996.

William W. Schenk,

Field Director, Midwest Field Area.

[FR Doc. 96-17681 Filed 7-10-96; 8:45 am]

BILLING CODE 4310-70-P

DEPARTMENT OF LABOR

Employment and Training Administration

Proposed Collection of Job Corps Health Questionnaire Comment Request

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95) [44 U.S.C. 3506(2)(A)]. This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Job Corps is soliciting comments concerning the proposed revision of the Health Questionnaire, Form ETA 6-53, a copy of which is attached to this notice.

DATES: Written comments must be submitted to the office listed in the addressee section below on or before September 9, 1996. The Department of Labor is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collection; and

- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

ADDRESSEE: Charles R. Hayman, MD, National Medical Director, Job Corps, Room N4507, 200 Constitution Avenue, NW, Washington, DC 20210, 202-219-5556, ext. 122 (this is not a toll-free number), 202-219-5183 (fax).

SUPPLEMENTARY INFORMATION:

I. Background

The Job Corps program is described in its enabling legislation under Public Law 97-300, Job Training Partnership Act. Section 423(4) states the health eligibility criteria and Section 424 of the Act outlines the screening and selection process for entry into Job Corps. The Department of Labor's regulation at 20 CFR 638.400 (K, L, M) further details the recruitment and screening of applicants, with specific guidance regarding health screening.

Young people wishing to enroll in Job Corps must first be screened to determine their suitability for the program. This initial screening of applicants is carried out by screening agencies, including State employment services, contracted to recruit young people for Job Corps. Screening ensures that applicants meet all admissions criteria as defined in *Performance Requirements Handbook (PRH) Chapter 1, Outreach and Screening, July 1995*.

Nonmedical personnel in the screening agencies (admissions counselors) conduct the screening interview and complete all required application forms included in *PRH-1 and its appendices*. From 1980 through 1986, the Job Corps Health Questionnaire (ETA 6-53) was administered during the screening interview only to those applicants whose medical eligibility was in doubt (as determined by positive response to questions 25 a, b, or c on the Job Corps Data Sheet, ETA 6-52).

A survey of Regional Directors for Job Corps and their staffs in 1982 and 1984 affirmed that the limited use of the Health Questionnaire in effect since 1980 had a significant adverse effect on the program. All regions responding recommended use of the Health Questionnaire during the initial screening interview for all applicants. It was noted that given the guidance and structure of the Health Questionnaire, screeners would ask more questions

about applicants' health problems than the four general questions on the Data Sheet, and that responses to these questions would be very likely to uncover health problems (especially mental health problems). In 1987, initial use of the Health Questionnaire for all applicants was reinstated.

II. Current Actions

The application folders of all applicants for the Job Corps showing questionable medical or behavioral status are transferred to the appropriate Regional Office for review. Regional Office personnel give any records showing potential health problems to the regional nurse consultant.

The nurse consultant reviews the applicant's medical history as contained in the Health Questionnaire. If necessary the consultant supplements' information from the applicant's health care providers to determine whether the individual has health problems that might prevent him or her from benefiting from the Job Corps program or that might unduly tax a center's health care budget.

In Regions II and IV, screening has been delegated to selected staff of each center. Center staff review all applications and make the decision to accept. The Regional Office staff and consultants are called upon for technical assistance as needed and for review and final decision on all applications provisionally rejected by the center.

Persons having significant physical disabilities are accepted into designated centers for the mobility impaired, vision or hearing impaired, or learning disabled. (Applicants with conditions requiring extensive treatment are not accepted).

While most health screening at the Regional level is done by the nurse consultant through review of the applicant's health record, in some instances the nurse will request the assistance of the regional medical, dental or mental health consultant to ensure that the evaluation of the applicant's suitability for Job Corps is correct.

In the case of an applicant with an acceptable health condition requiring special attention, the nurse consultant will advise the Job Corps Regional Director concerning appropriate center placement. For all accepted applicants, the Regional Office sends the Health Questionnaire and all other health information sealed in the student's Health Record Envelope to the center of assignment.

In general, the Regional Directors feel that Job Corps deals with a population

of youth that requires them to be quite specific in the screening process. Applicants are perceived as having great difficulty understanding general questions regarding their health history and status. They also do not routinely volunteer necessary information regarding their health unless asked the more detailed questions included on the Health Questionnaire.

Additionally, Regional Directors feel that many admissions counselors do not have the necessary skills to perform an in-depth health interview without the structure provided by the Health Questionnaire.

Regional Directors cite the following specific benefits of using the Health Questionnaire for all applicants:

- Identifies health problems that may prohibit an applicant from successfully completing a Job Corps program.
- Identifies applicants whose physical or mental health problems may result in harm to themselves or others following enrollment.
- Identifies health problems that Job Corps is not prepared to handle due to lack of health care resources or due to excessive costs.
- Assists in assignment of an applicant with a health problem to a center equipped to provide both health

care and vocational training appropriate to the applicant's needs.

Experience throughout the Job Corps indicates that the Health Questionnaire is an excellent guide in identifying current and potential applicant health problems. Its use results in considerable savings of time, by both regional health consultants and center health staff, and of money, by reducing high medical program costs and early medical terminations.

In addition, ETA uses the Report of Medical Examination, SF 88 and Report of Medical History, SF 93 when medical examinations of the Job Corps enrollees are conducted.

Burden Cost: Total cost to respondent (Job Corps applicant/student) is 0.

Date: June 5, 1996.

Signing Official: Mary H. Silva,
National Director, Job Corps.

Description of Revisions to Existing Collection: Job Corps entities (Regional Offices, centers, screening agencies) were asked to comment on the existing questionnaire. Twenty-five responses were received and analyzed. As a result, the proposed revision (attached) has been developed as being easier to administer, and bringing forth more specific information readily usable by regional health consultants and center health staff.

Type of Review: Revision.

Agency: Employment and Training Administration.

Title: Job Corps Health Questionnaire.

OMB Number: 1205-0033.

Agency Number: ETA 6-53.

Record Keeping: Records are maintained for 3 years.

Affected Public: Individual or households, Business or other for-profit, Not for profit institutions, Federal Government, State or Local or Tribal Government.

Total Respondents: 103,000 annually.

Frequency: Once per applicant.

Total Responses: 1.

Average Time Per Response: 12 minutes.

Estimated Total Burden Hours: 20,600.

Total Burden Cost: \$6,500.

Comments submitted in response to this comment request will be summarized and/or included in the request for Office of Management and Budget approval of the information collection requirements; they will also become a matter of public record.

Dated: July 1, 1996.

Signing Official:

Mary H. Silva,

National Director, Job Corps.

BILLING CODE 4510-30-M

Job Corps Health Questionnaire, ETA 6-53

U.S. Department of Labor
Employment and Training Administration

PURPOSE: To determine Job Corps applicant eligibility and proper placement.					
INSTRUCTIONS: Job Corps centers provide health care; therefore, please answer all of the questions correctly so that the center you go to can provide you with appropriate health services. The collection of this information is authorized by PL 93-203(4). The information is requested on a voluntary basis; however, no applicant may be accepted by Job Corps unless this form is completed and submitted along with a completed application (ETA 6-52).					
1. Name (Last, First, Middle Initial)					
2. Social Security Number		3. Sex (M/F)	4. Height	5. Weight	
6 General Health Condition (circle one):		Excellent	Good	Fair	
7. a. Are you or your family covered by health insurance? (If YES, obtain copy of health insurance card and attach to this form.)				NO <input type="checkbox"/> YES <input type="checkbox"/>	
b. Are you or your family covered by Medicaid? (If YES, obtain copy of Medicaid card and attach to this form.)				NO <input type="checkbox"/> YES <input type="checkbox"/>	
A "YES" answer to any item in questions 8 and 9 requires an explanation in question 10 on the reverse of this form.					
8. a. Are you currently under the care of a physician or other health professional?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
b. Are you currently taking any prescribed medication?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
c. Have you been advised to have any surgical procedure or medical treatment?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
d. Have you been hospitalized for a medical or mental health reason within the past 2 years?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
e. Have you received counseling or treatment for drug or alcohol use within the past 2 years?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
f. Have you ever been refused or discharged from military service for medical or mental health reasons?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
g. Do you have a disability that may affect your participation in job training activities?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
h. Do you wear a medical device or orthodontic braces?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
i. Are you allergic to any drugs, medicines, or foods?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
j. Have you ever attempted or thought about attempting suicide?				NO <input type="checkbox"/> YES <input type="checkbox"/>	
9. Have you EVER had or do you now have any of the following conditions?					
		No	Yes		
a. Anemia (including sickle cell disease)				i. Speech defect (e.g., stuttering)	
b. Asthma				j. Tuberculosis (TB) or positive TB skin test	
c. Blindness or poor eyesight (not correctable by glasses or contact lens)				k. Physical disability (such as limb paralysis)	
d. Deafness or difficulty in hearing				l. Ulcer of stomach or intestines	
e. Serious dental problems				m. Epilepsy, seizures, convulsions	
f. Diabetes (sugar in urine)				n. Other health problem(s)	
g. Heart condition or high blood pressure				o. FEMALES: Are you pregnant? If YES, date of last menstrual period _____	
h. Kidney, bladder or urinary problems				10. SCORING Place an "A" in the box at right if all responses to items in questions 8 and 9 are "NO." If any item is answered "YES," place a "B" in the box at right.	

11. Provide explanation below of any "YES" responses to items in questions 8 and 9. If additional space is needed, attach separate sheet.	
Item	Explanation
<p>I (we) authorize the Job Corps to receive from doctors, clinics, hospitals, or other sources, a complete transcript of my (son's, daughter's, ward's) health records for the purpose of determining his/her eligibility for Job Corps. I (we) authorize release of medical information to staff with a need for that information, and to the local health department when required by law. I (we) authorize an ENTRANCE MEDICAL EXAMINATION which includes blood testing to identify conditions such as anemia, syphilis, and HIV infection; urine testing for conditions such as diabetes, nephritis, pregnancy, and for controlled substance. I (we) understand the reasons for the medical examination and health testing, and have had the opportunity to ask questions. I (we) also authorize immunizations for tetanus, diphtheria, poliomyelitis, measles, mumps, rubella, influenza, and others, if necessary; and a skin test for tuberculosis. I (we) certify that the information that has been provided on this medical form is true and complete to the best of my (our) knowledge. I (we) understand that any false statement or dishonest answers will be grounds for the dismissal for the above-named individual and may be punishable by law.</p>	
Applicant Signature	Date
Parent/Guardian Signature (if applicant is a minor)	Date
Admissions Counselor Signature Comments:	Date
Regional Medical/Mental Health Consultant or Center Health Staff Recommendation Comments:	ACCEPT <input type="checkbox"/> REJECT <input type="checkbox"/>
Signature:	Date
Regional Office Action Comments:	ACCEPT <input type="checkbox"/> REJECT <input type="checkbox"/>
Signature:	Date
<p>Public reporting burden for this collection of information is estimated to average 12 minutes per response, including the time for reviewing instructions, search existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Information Management, Department of Labor, Room N-1301, 200 Constitution Avenue, NW, Washington, DC 20210 and to the Office of Management and Budget, Paperwork Reduction Project (1205-0033), Washington, DC 20503.</p>	

OMB Approval No. 1205-0033
Expiration Date: xx/xx/xx

Job Corps Health Questionnaire, ETA 6-53

1. *Purpose.* To obtain a health history on each applicant to determine health eligibility of the applicant to enter Job Corps.

2. *Originator.* Job Corps admissions counselor.

3. *Frequency.* Once for each student at time of application.

4. *Distribution.* This is a 2-page form. If there are "yes" answers to one or more questions on the form, you must obtain relevant physician/institution reports and forward the applicant's folder, including the ETA 6-53, to the Job Corps Regional Office for review. The center of assignment receives the original ETA 6-53 if the region approves the application. A copy is retained by the Regional Office.

5. *General Instructions.* Information is placed on the form as given by the applicant during the health interview. This information is confidential and must be so maintained by the admissions counselor. The admissions counselor must:

a. Ensure that the health questionnaire is fully understood by the applicant and that all entries are completed and appropriately written or checked.

b. Score the health questionnaire.

c. Obtain additional information or arrange for a new health examination or evaluation for the applicant when requested by the regional health consultant.

6. Detailed Instructions.

Item	Comments
1	Self Explanatory.
2	Self Explanatory.
3	Self Explanatory.
4	Self Explanatory.
5	Accept weight given by applicant; however, raise questions if there is a great difference (25 or more pounds) between given weight and the admission counselor's estimate based on observation. Note large variations under Item 11.
6	Self Explanatory.
7,8	Ask questions as stated and check "NO" or "YES." a. Attach copy of insurance or Medicaid card if appropriate. b. If possible, obtain the medical diagnosis of the condition rather than the applicant's description of symptoms. c. Establish appropriate dates for the onset of the condition and date it ceased, if appropriate.

Item	Comments
	d. Obtain information for each condition. Explain how often the problem occurs (e.g., heart condition—cannot walk up stairs without getting short of breath). Be sure to specify whether the applicant still has the condition. e. For question 8i, list all allergies (such as to foods, dust, penicillin) and include what type of allergic response the applicant has (e.g., hives, sneezing, headaches). f. Obtain information about all hospital stays even if several were for the same condition. List only dates that applicant was in the hospital. Do not include emergency room visits.
10	The admissions counselor will score the questionnaire as follows: a. If answers to all items in questions 8 and 9 are "NO," score as category "A." b. If there are any "YES" answers, or if the admissions counselor observes peculiarity of behavior, or if the applicant admits pregnancy, score as category "B."
11	Use this section to record: a. Any comments provided by the applicant for questions 8 and 9. If the applicant is not sure whether he/she had one of the conditions mentioned in questions 8 or 9, include whatever information the applicant provides. If the applicant is reluctant to give additional information, the admissions counselor must not pressure the applicant. Indicate in this section that the applicant declined to comment. b. Observations made by the admissions counselor regarding the physical limitations or the emotional state of the applicant. Observe whether the applicant has obvious physical disabilities (e.g., walks with a limp) or peculiarity in behavior (e.g., stares or twitches).

[FR Doc. 96-17276 Filed 7-10-96; 8:45 am]

BILLING CODE 4510-30-M

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice (96-072)]

Government-Owned Inventions; Available for Licensing

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of availability of inventions for licensing.

SUMMARY: The inventions listed below are assigned to the National Aeronautics and Space Administration, have been filed in the United States Patent and

Trademark Office, and are available for licensing.

Copies of patent applications cited are available from the Office of Patent Counsel, Goddard Space Flight Center, Mail Code 204, Greenbelt, MD 20771. Claims are deleted from the patent applications to avoid premature disclosure.

EFFECTIVE DATE: July 11, 1996.

FOR FURTHER INFORMATION CONTACT: R. Dennis Marchant, Patent Counsel, Goddard Space Flight Center, Mail Code 204, Greenbelt, MD 20771; telephone (301) 286-7351, fax (301) 286-0237.

NASA Case No. GSC-13,546-2: Interface using Video Camera Signals for Laser Triggering Including Background Light Suppression;

NASA Case No. GSC-13,562-2: Absolute Linear Encoding Device;

NASA Case No. GSC-13,614-1: Capaciflector—Guided Mechanisms;

NASA Case No. GSC-13,621-1: Twist Planet Drive;

NASA Case No. GSC-13,552-1: Method for Coding Multiple Source Data Sets;

NASA Case No. GSC-13,612-1: Magnetic Antenna Using Metallic Glass;

NASA Case No. GSC-13,635-1: Method of Manufacture and Apparatus for Collimating the Output of Multiple-Bar Diode Laser Arrays;

NASA Case No. GSC-13,618-1: Frequency Scanning Capaciflector;

NASA Case No. GSC-13,649-1: Small High Torque Reaction Momentum Wheel;

NASA Case No. GSC-13,638-1: Wideband Gain Stable Amplifier;

NASA Case No. GSC-13,644-2: Optical Fiber Cable Chemical Stripping Fixture;

NASA Case No. GSC-13,672-1: System and Method for Creating Expert;

NASA Case No. GSC-13,524-2: Method and Apparatus for Advanced Ultrasonic Imaging;

NASA Case No. GSC-13,329-1: Capillary Pumped Loop Body Warmer;

NASA Case No. GSC-13,674-1: Screw Released Roller Brake;

NASA Case No. GSC-13,692-1: Roll-Unlocking Sprags;

NASA Case No. GSC-13,706-1: Pistol Grip Power Tool;

NASA Case No. GSC-13,635-2: Method of Manufacture and Apparatus for Collimating the Output of Multiple-Bar Diode Laser Arrays;

NASA Case No. GSC-13,701-1: 3-D Capaciflector;

NASA Case No. GSC-13,681-1: Low Cost GPS Receiver.

Dated: July 3, 1996.
Edward A. Frankle,
General Counsel.
[FR Doc. 96-17647 Filed 7-10-96; 8:45 am]
BILLING CODE 7510-01-M

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Privacy Act of 1974; Transfer of Records

AGENCY: National Archives and Records Administration (NARA).

ACTION: Notice of transfer of records subject to the Privacy Act to the National Archives.

SUMMARY: Records retrievable by personal identifiers which are transferred to the National Archives of the United States are exempt from most provisions of the Privacy Act of 1974 (5 U.S.C. 552a) except for publication of a notice in the Federal Register. NARA publishes a notice of the records newly transferred to the National Archives of the United States which were maintained by the originating agency as a system of records subject to the Privacy Act.

FOR FURTHER INFORMATION CONTACT: Dr. Michael Kurtz, Assistant Archivist for the National Archives, on (301) 713-7000.

SUPPLEMENTARY INFORMATION: In accordance with section (l)(1)(3) of the Privacy Act, archival records transferred from executive branch agencies to the National Archives of the United States are not subject to the provisions of the Act relating to access, disclosure, and amendment. The Privacy Act does require that a notice appear in the Federal Register when executive branch systems of records retrievable by personal identifiers are transferred to the National Archives of the United States. After transfer of records retrievable by personal identifiers to the National Archives of the United States, NARA does not maintain these records as a separate system of records. NARA will attempt to locate specific records about an individual in any system of records described in a Privacy Act Notice as being part of the National Archives of the United States. Furthermore, records in the National Archives of the United States may not be amended, and NARA will not consider any requests for amendment.

Archival records maintained by NARA are arranged by Record Group depending on the agency of origin. Within each Record Group, the records are arranged by series, thereunder

generally by filing unit, and thereunder by document or groups of documents. The arrangement at the series level or below is generally the one used by the originating agency. Usually, a system of records corresponds to a series.

In this notice, each system is identified by the system name used by the executive branch agency that accumulated the records. That system name is followed by information in parentheses about the National Archives Record Group to which records in the system have been allocated. In the section of the notice covering categories of records in the system, the specific segment of the system transferred to the National Archives is identified by the accession number assigned to the system segment when it was transferred to the National Archives and the series title associated with the system in the National Archives.

The following systems of records, or parts thereof, retrievable by personal identifiers have been transferred to the National Archives since the last notice published at 57 FR 10926 (June 09, 1995):

1. *System name:*

Individual Indian Monies-Interior, BIA-3 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

1. *System location:*

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Categories of individuals covered by the system:

Records in the National Archives cover individual Indians who have money accounts.

Categories of records in the system:

Records in the National Archives covered by this notice include per capita and annuity rolls for Eastern and Immigrant Cherokee, Keshena, Ponca, and Winnebago tribes, 1940-1951; and individual Indian account ledgers, 1952-1953. (NARA Accession Numbers NN3-075-095-010, and NN3-075-095-034).

Routine uses of records maintained in the system, including categories of users and the purpose of such uses:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: (a) Indexed by name of identifying number. (b) Retrieved by manual search.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

System manager and address:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Notification procedures:

Individuals desiring information from or about these records should direct inquiries to the system manager.

Records access procedures:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

2. *System Name:*

Indian Land Records-Interior, BIA-4 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

System location:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Categories of individuals covered by the system:

Records in the National Archives cover individual Indians and Indian tribal groups that are owners of land held in trust by the government.

Categories of records in the system:

Records in the National Archives covered by this notice include civilized

tribe probate books, 1940. (NARA Accession Number NN3-075-095-031).

Routine uses of records maintained in the system, including categories of users and the purpose of such uses:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

a. Storage: Paper records stored in archival containers.

b. Retrievability: (a) Indexed by name of identification number of individual. (b) Retrieved by manual search.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

System manager and address:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Notification procedures:

Individuals desiring information from or about these records should direct inquiries to the system manager.

Records access procedures:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

3. *System name:*

Indian Land Leases-Interior, BIA-5 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

System location:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Categories of individuals covered by the system:

Records in the National Archives cover individual Indian and Indian Tribal Groups that are owners of real property held in trust by the government, and individuals or groups that are potential or actual lessees of that property.

Categories of records in the system:

Records in the National Archives covered by this notice include oil and gas leases-Phoenix/Santa Fe, 1915-1949. (NARA Accession Number NN3-075-095-012).

Routine uses of records maintained in the system, including categories of users and the purpose of such uses:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

a. Storage: Paper records stored in archival containers.

b. Retrievability: (a) Indexed by name of identification number of the individual. (b) Retrieved by manual search.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

System manager and address:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Notification procedures:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be

provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

4. *System name:*

Tribal Rolls-Interior, BIA-7 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

System location:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740; and National Archives—Rocky Mountain Region, Bldg. 48, Denver Federal Center, P.O. Box 25307, Denver, CO 80225.

Categories of individuals covered by the system:

Records in the National Archives cover individual Indians who are applying for or have been assigned interests of any kind in Indian Tribes, bands, pueblos or corporations.

Categories of records in the system:

Records in the National Archives covered by this notice include (in Washington, DC) individuals being denied tribal membership, 1968 (NARA Accession Number NN3-075-095-024); and program files, 1931-1938 (NARA Accession Number NN3-075-095-025). Also, (in Denver) census polls of New Mexico tribes, 1910-1960. (NARA Accession Number 8NS-075-095-021).

Routine uses of records maintained in the system, including categories of users and the purpose of such uses:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

a. Storage: Paper records stored in archival containers.

b. Retrievability: (a) Indexed by name, identification numbers, family numbers, etc. (b) Retrieved by manual search.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

System manager and address:

The system manager is the Assistant Archivist for the National Archives, and for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

Notification procedures:

Individuals desiring information from or about these records should direct inquiries to the appropriate system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

5. *System name:*

Indian Loan Files-Interior, BIA-13 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

SYSTEM LOCATION:

National Archives—Pacific Southwest Region, P.O. Box 6719, Laguna, Niguel, CA 92607.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover applicants who applied for or received loans and applicants who applied for or received guaranteed loans.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include credit operations report, 1969 (NARA Accession Number 9NSL-075-095-002).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

a. Storage: Paper records stored in archival containers.

b. Retrievability: (a) Indexed by individual's name, control number or tribal name. (b) Retrieved by manual search.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

6. **SYSTEM NAME:**

Law Enforcement Services-Interior, BIA-18 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover: (a) Individuals violating laws on Indian Reservations and those who appear in court for violations of 25 CFR regulations; (b) Individuals primarily interested in Indian Affairs who advocate violence as a means of obtaining their goals.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include law enforcement reports, 1916-1972. (NARA Accession Number NN3-075-095-021).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

a. Storage: Paper records stored in archival containers.

b. Retrievability: Cross referenced by individual's name, case number and docket number.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National

Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

7. SYSTEM NAME:

Indian Student Records-Interior, BIA-22 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740; National Archives—Rocky Mountain Region, Bldg. 48, Denver Federal Center, P.O. Box 25307, Denver, CO 80225; and National Archives—Pacific Southwest Region, 24000 Avila Road, P.O. Box 6719, Laguna Niguel, CA 92607.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover students or potential students at BIA schools (including contact schools) and applicants for or recipients of BIA scholarships or educational grants.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include (in Washington, DC) education records, 1914-1970 (NARA Accession Number NN3-075-095-039); (in Denver) School census: Paquate and McCarty Day Schools, 1940-1955 (NARA Accession Number 8NS-075-095-024); and (in Laguna Niguel) student case files, 1952-1974 (NARA Accession Number 9NSL-075-095-003).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: (a) Indexed by name of student and filed by student identification number. (b) Retrieved by manual search.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, and for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the appropriate system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

8. SYSTEM NAME:

Employment Assistance Case Files-Interior, BIA-23 (part of National Archives Record Group 75, Records of the Bureau of Indian Affairs).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740; National Archives - Rocky Mountain Region, Bldg. 48, Denver Federal Center, P.O. Box 25307, Denver, CO 80225; and National Archives - Pacific Southwest Region, 24000 Avila Road, P. O. Box 6719, Laguna Niguel, CA 92607.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover individual Indians who are given assistance in connection with direct employment service or adult vocational training.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include (in Washington, DC) individual follow-up study of service recipients employment assistance records, 1963 (NARA Accession Number NN3-075-095-020); (in Denver) employment assistance case files, Denver Field Office including photographs, 1957-1959 and 1971 (NARA Accession Number 8NS-075-095-019); and (in Laguna Niguel) employment assistance case files, 1969-1974 (NARA Accession Number 9NSL-075-095-004).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: (a) Indexed alphabetically by name of applicant and/or recipient. (b) Retrieved by manual search.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, and for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the appropriate system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records

about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

9. SYSTEM NAME:

Current Research Information System (CRIS), USDA/CSRS-1 (part of National Archives Record Group 164, Records of the Cooperative State Research Service).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD, 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover scientists listed on research projects entered into the CRIS.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include electronic records containing detailed data on Current Research Information System (CRIS) Projects, 1994. (NARA Accession Number NN3-164-095-001).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Electronic database stored on magnetic tape.
- b. Retrievability: Records can be retrieved by name of project leader or co-investigator.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD, 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

10. SYSTEM NAME:

Army History Files, A0870-5DAMH (part of National Archives Record Group 319, Records of the Army Staff).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover military and civilian personnel associated with the Army; individuals who offer historically significant items or gifts of money to the Army Museum System.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include records dated 1924-1977 including documentation referencing the MY LAI Incident. (NARA Accession Number NN3-319-095-001).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the

National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Records are retrievable by the individual's name.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

11. SYSTEM NAME:

The Immigration and Naturalization Service Index System, JUSTICE/INS-001 (part of National Archives Record Group 85, Records of the Immigration and Naturalization Service).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD, 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover individuals covered by provisions of the immigration and nationality laws of the United States; individuals who have arrived or departed by aircraft or vessel at a United States port; or aliens lawfully admitted for permanent residence, commuters and other authorized frequent border crossings, and nonimmigrant persons other than transients.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include central office subject files, 1906–1959. (NARA Accession Number NN3–085–095–002). Also, included are naturalizations, required departures, lawful immigrants, and deportations, 1992; and lawful immigrant files, 1987–1991. (NARA Accession Number NN3–085–095–001).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a(l)(1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Generally, records are indexed and retrievable by name and/or "A" or "C" file number.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD, 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the appropriate system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the

records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

12. SYSTEM NAME:

Civil Division Case File System, JUSTICE/CIV–001 (part of National Archives Record Group 60, General Records of the Department of Justice).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover individuals referenced in potential or actual cases and matters under the jurisdiction of the civil division; and attorneys, paralegals, and other employees of the civil division directly involved in these cases or matters.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include Department of Justice litigation case file and enclosures concerning government efforts to deport union leader Harry Bridges, 1934–1962. (NARA Accession Number NN3–060–095–002).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Retrieved by manual search.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

13. SYSTEM NAME:

Classification, Reclassification, Utilization of Soldiers, A0600–200TAPC (part of National Archives Record Group 407, Records of the Adjutant General's Office, 1917–).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover current and former Army members in enlisted grades E1 through E9.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include Promotion Selection Board report files and rosters, 1962–1964. (NARA Accession Number NN3–407–095–001).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

a. Storage: Paper records stored in archival containers.

b. Retrievability: By individual's surname.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

14. SYSTEM NAME:

Health Care and Medical Treatment Record System, A0040-66bDASG (part of National Archives Record Group 112, Records of the Office of the Surgeon General (Army)).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover military members of the Armed Forces (both active and inactive); dependents; civilian employees of the Department of Defense; members of the U. S. Coast Guard, Public Health Service, and Coast and Geodetic Survey; cadets and midshipmen of the military academies; employees of the American National Red Cross; and other categories of individuals who receive medical treatment at Army Medical Department facilities/activities.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include U. S. Army, Office of the Surgeon General Hospital Admission electronic data file, 1942-1945 and 1950-1954. (NARA Accession Number NN3-112-095-001).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

a. Storage: Paper records stored in archival containers.

b. Retrievability: By patient or sponsor's surname or social security number.

c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.

d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

15. SYSTEM NAME:

Civil Case Files, JUSTICE/USA005 (part of National Archives Record Group 118, Records of U. S. Attorneys and Marshals).

SYSTEM LOCATION:

National Archives—Mid-Atlantic Region, 9th and Market Streets, Room 1350, Philadelphia, PA 19107.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover (a) individuals being investigated in anticipation of civil suits; (b) individuals involved in civil suits; (c) defense counsel(s); (d) information sources; and (e) individuals relevant to the development of civil suits.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include case files for closed significant civil cases with sentences of 10 years or less, 1980-1983. (NARA Accession Numbers 3NS-118-094-001, 3NS-118-094-002, 3NS-118-094-003, and 3NS-118-094-004).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Primarily by name of person, case number, complaint or court docket.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

16. SYSTEM NAME:

Criminal Case Files, JUSTICE/USA007 (part of National Archives Record Group 118, Records of U. S. Attorneys and Marshals).

SYSTEM LOCATION:

National Archives—Mid-Atlantic Region, 9th and Market Streets, Room 1350, Philadelphia, PA 19107.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover (a) individuals charged with violations; (b) individuals being investigated for violations; (c) defense counsel(s); (d) information sources; (e) individuals relevant to development of criminal cases; (f) individuals

investigated, but prosecution declined; (g) individuals referred to in potential or actual cases and matters of concern to a U. S. attorney's office; and individuals placed into the Department's Pretrial Diversion Program.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include case files for closed significant criminal cases with sentences of 10 years or less, 1980–1983. (NARA Accession Numbers 3NS–118–094–001, 3NS–118–094–002, 3NS–118–094–003, and 3NS–118–094–004).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Primarily by name of person, case number, complaint or court docket number.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for Special and Regional Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More

information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

17. SYSTEM NAME:

Educational and Cultural Exchange Program Records, STATE–08 (part of National Archives Record Group 59, General Records of the Department of State).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover applicants, recipients, and prospective recipients of educational and cultural exchange grants; members of the Board of Foreign Scholarships; American Executive Secretaries of Fulbright Foundations and Commissions; members of the U. S. Advisory Commission on International Educational and Cultural Affairs; members of the Government Advisory Committee on International Book and Library Programs; members of the former National Review Board of the East-West Center; and faculty members of U. S. educational institutions participating in student counseling workshops conducted in various countries.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include files on the U. S. Advisory Commission on International Educational and Cultural Affairs including members' folders, 1948–1961 (NARA Accession Number NN3–059–095–011); transcripts of meetings of the Board of Foreign Scholarships and the Executive and Planning Committee, 1942–1970 (NARA Accession Number NN3–059–095–020); records of the U. S. Advisory Committee on the Arts including Committee members files, travel records, and a history of the committee, 1948–1961 (NARA Accession Number NN3–059–095–037); Board of Foreign Scholarships Country Program proposals, memberships, commission personnel, and minutes, 1950–1969 (NARA Accession Number NN3–059–095–071); and files of U. S. Advisory Commission on International Educational and Cultural Affairs on educational and cultural affairs on educational

organizations, meetings, etc., 1961–1965 (NARA Accession Number NN3–059–095–081).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Retrieved by individual name.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

18. SYSTEM NAME:

Personnel Records, STATE–31 (part of National Archives Record Group 59, General Records of the Department of State).

SYSTEM LOCATION:

National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records in the National Archives cover Department of State employees (current and former; domestic and Foreign Service); applicants for employment with Department of State and employees of other federal agencies on detail to Department of State.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in the National Archives covered by this notice include performance evaluation policy records, 1924–1965 (NARA Accession Number NN3–059–095–076); card records of candidates who have taken the written examination for appointment as Foreign Service Officers, 1900–1960 (NARA Accession Number NN3–059–095–077); and Board of the Foreign Service Promotion Files, 1956–1973 (NARA Accession Number NN3–059–095–079).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

Reference by Government officials, scholars, students, and members of the general public. The records in the National Archives of the United States are exempt from the Privacy Act of 1974 except for the public notice required by 5 U.S.C. 552a (l) (1)(3). Further information about uses and restrictions may be found in 36 CFR part 1256 and in the Appendix following this notice.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

- a. Storage: Paper records stored in archival containers.
- b. Retrievability: Retrieved by individual name.
- c. Safeguards: Records are kept in locked stack areas accessible only to authorized personnel of the National Archives.
- d. Retention and disposal: Records are retained permanently.

SYSTEM MANAGER AND ADDRESS:

The system manager is the Assistant Archivist for the National Archives, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740.

NOTIFICATION PROCEDURES:

Individuals desiring information from or about these records should direct inquiries to the system manager.

RECORDS ACCESS PROCEDURES:

Upon request, the National Archives will attempt to locate specific records

about individuals and will make the records available subject to the restrictions set forth in 36 CFR part 1256. Enough information must be provided to permit the National Archives to locate the records in a reasonable amount of time. Records in the National Archives may not be amended and requests for amendment will not be considered. More information regarding access procedures is available in the *Guide to the National Archives of the United States*, which is sold by the Superintendent of Public Documents, Government Printing Office, Washington, DC 20402, and may be consulted at the National Archives research facilities listed in 36 CFR part 1253.

Appendix—General Statement About Uses and Restrictions

A record from an accessioned system of records may be made available to any person who has applied for and received a researcher identification card. No special qualifications are required in order to use the records of the National Archives. Rules governing the use of records and procedures for applying for research cards are found in 36 CFR part 1254. However, the use of some of the records is subject to restrictions imposed by statute or Executive order, or by the restrictions specified in writing in accordance with 44 U.S.C. 2108 by the transferring agency. Restrictions currently in effect on access to particular records that have been specified by the transferring agency are known as “specific restrictions.” Restrictions on access that may apply to more than one record group are termed “general restrictions.” They are applicable to the kinds of information or classes of accessioned records designated regardless of the record group to which they have been allocated or the specific system of records in which they are contained. The restrictions are published in the “Guide to the National Archives of the United States” and supplemented by restriction statements approved by the Archivist of the United States and set forth in 36 CFR part 1256.

Dated: July 1, 1996.

Geraldine N. Phillips,

Acting Assistant Archivist for the National Archives.

[FR Doc. 96–17434 Filed 7–10–96; 8:45 am]

BILLING CODE 7515–01–P

NATIONAL SCIENCE FOUNDATION**Special Emphasis Panel in Design, Manufacture, and Industrial Innovation; Notice of Meeting**

In accordance with the Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting:

Name: Special Emphasis Panel in Design, Manufacture, and Industrial Innovation—(1194).

Date and Time: August 2, 1996, 8:30 a.m.—5:00 p.m.

Place: Room 320, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230.

Type of Meeting: Closed.

Contact Person: Kesh Narayanan, Director, SBIR (703) 306-1390, and Cheryl Albus, Program Coordinator, SBIR (703) 306-1390, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to the NSF for financial support.

Agenda: To review and evaluate SBIR Phase I Rapid Prototyping proposals as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information, financial data such as salaries, and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552(c)(4) and (6) of the Government in the Sunshine Act.

Dated: July 8, 1996.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 96-17655 Filed 7-10-96; 8:45 am]

BILLING CODE 7555-01-M

Special Emphasis Panel in Design, Manufacture, and Industrial Innovation; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting:

Name: Special Emphasis Panel in Design, Manufacture, and Industrial Innovation (1194) submitted to the Phase I Small Business Innovation Research Program in the areas of Next Generation Vehicles, (Service Systems/Operations Research), Environmentally Conscious Manufacturing (ECM), and Advanced Manufacturing Processes (Ceramics). In order to review the large volume of proposals, panel meetings will be held on August 2, 1996 in rooms 360, 365, 370, and 380, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230. All meetings will be closed to the public and will be held at the National Science Foundation, 4201 Wilson

Blvd., Arlington, VA from 8:30 a.m. to 5:00 p.m.

Contact Person: Ritchie Coryell, SBIR Office, (703) 306-1391, Warren DeVries, Program Director, Manufacturing Machines and Equipment, (703) 306-1330, National Science Foundation, 4201 Wilson Blvd., Arlington, VA 22230.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c)(4) and (6) of the Government in the Sunshine Act.

Dated: July 8, 1996.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 96-17658 Filed 7-10-96; 8:45 am]

BILLING CODE 7555-01-M

Advisory Committee for Education and Human Resources; Committee of Visitors; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting:

Name: Advisory Committee for Education and Human Resources; Committee of Visitors.

Date and Time: July 30 (8:00 a.m.—6:00 p.m.) and July 31 (8:00 a.m.—2:00 p.m.).

Place: National Science Foundation, 4201 Wilson Blvd., Suite 370, Arlington, VA.

Type of Meeting: Closed.

Contact Person: Dr. Peirce Hammond, National Science Foundation, 4201 Wilson Blvd., Arlington, VA 22230. Telephone: (703) 306-1690.

Purpose of Meeting: To carry out Committee of Visitors (COV) review, including examination of decisions on proposals, reviewer comments, and other privileged materials.

Agenda: To review and evaluate the Urban Systemic Initiatives (USI) Program and provide an assessment of program-level technical and managerial matters pertaining to proposal decisions and program operations.

Reason for Closing: The meeting is closed to the public because the Committee is reviewing proposal actions that will include privileged intellectual property and personal information that could harm individuals if they were disclosed. If discussions were open to the public, these matters that are exempt under 5 U.S.C. 552b(c) (4) and (6) of the Government in the Sunshine Act would be improperly disclosed.

Dated: July 8, 1996.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 96-17654 Filed 7-10-96; 8:45 am]

BILLING CODE 7555-01-M

Special Emphasis Panel in Geoscience; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting.

Name: Special Emphasis Panel in Geosciences (#1756).

Date and Time: July 29–July 31, 1996; 8:30 am to 6:00 pm.

Place: Center for High Pressure Research, State University of New York at Stony Brook.

Type of Meeting: Closed.

Contact Person: Dr. Daniel F. Weill, Program Director, Instrumentation & Facilities Program, Division of Earth Sciences, Room 785, National Sciences Foundation, Arlington, VA 22230, (703) 306-1558.

Purpose of Meeting: To review the renewal proposal, evaluate the Science and Technology Center, and make a recommendation concerning future funding of the Science and Technology Center.

Agenda: To evaluate: a) the research program; b) educational and outreach activities; and c) the knowledge transfer activities and the management of the STC. To make a recommendation on the future funding of the STC.

Reason for Closing: The proposal being reviewed includes information of a proprietary or confidential nature, including technical information, financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are within exemptions (4) and (6) of 5 U.S.C. 552b(c), the Government in the Sunshine Act.

Dated: July 8, 1996.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 96-17656 Filed 7-10-96; 8:45 am]

BILLING CODE 7555-01-M

Special Emphasis Panel in Science and Technology Infrastructure; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting:

Name: Special Emphasis Panel in Science and Technology Infrastructure (1373).

Date and Time: August 1-2, 1996 9:00 a.m.—5:30 p.m.; August 5-6, 1996 9:00 a.m.—5:30 p.m.

Place: Rooms 1295 & 1280, National Science Foundation, 4201 Wilson Blvd., Arlington, Va.

Type of Meeting: Closed.

Contact Person: Dr. Nathaniel G. Pitts, Director, Office of Science and Technology Infrastructure, Room 1270, 4201 Wilson Blvd., Arlington, VA 22230; Telephone (703) 306-1040.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

Agenda: To review and evaluate applications submitted to the Recognition Awards for the Integration of Research and Education activity.

Reason for Closing: The meeting is closed to the public because the Panel is reviewing proposal actions that will include privileged intellectual property and personal information that could harm individuals if they were disclosed. These matters are exempt under 5 U.S.C. 552b(c) (4) and (6) of the Government in the Sunshine Act.

Dated: July 8, 1996.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 96-17657 Filed 7-10-96; 8:45 am]

BILLING CODE 7555-01-M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-336]

Northeast Utilities Service Company; Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. DPR-65 issued to Northeast Nuclear Energy Company, et al. (the licensee) for operation of the Millstone Nuclear Power Station, Unit No. 2, located in New London, Connecticut.

The proposed amendment was requested on July 3, 1996, and would provide a one-time change to Millstone Unit 2 (MP2) Technical Specification 3.9.1, "Refueling Operations, Boron Concentration." The proposed change would remove the requirement that the boron concentration in all filled portions of the Reactor Coolant System be "uniform." This change would only be applicable during the MP2 Cycle 13 mid-cycle core offload. The requested change supersedes the June 3, 1996, request.

On March 14, 1996, during surveillance testing, it was discovered that a Low Pressure Safety Injection (LPSI) valve could not be closed. In order to repair the valve, the Shutdown Cooling System will have to be removed from service since it is not possible to isolate flow through a stuck open LPSI valve with Shutdown Cooling in operation. The repair requires an offload of the core to the Spent Fuel Pool which will permit removal of the Shutdown Cooling System from service.

Since the core offload could not have been anticipated at the time of shutdown, the Reactor Coolant System was not borated to the refueling concentration required by the Technical Specifications (TSs).

The proposed one-time TS change would strike the words "of all filled portions" and "uniform and" and add a footnote indicating that, for the Cycle 13 mid-cycle core offload activities, it is acceptable for the boron concentrations of the water volumes in the steam generators and the connecting piping to be as low as 1300 ppm.

The Bases for 3.9.1 would be modified to explain that the boron concentration of the water volumes in the Pressurizer, Shutdown Cooling System, Reactor Vessel, Refueling Pool, and the associated connecting piping will be maintained at 1950 ppm boron concentration. This concentration will be high enough to ensure that, even in the unlikely event that all of the lower boron concentration water from the Steam Generators and connecting piping were to mix with the Shutdown Cooling System water, the resulting Shutdown Cooling System boron concentration will remain greater than the minimum required refueling boron concentration.

The initial June 3, 1996, request would have required that the Reactor Coolant System (RCS) inventory be reduced to mid-loop and borate the RCS to greater than 1820 ppm boron to maintain the core at least 5% subcritical during refueling. The current request will reduce the RCS inventory to a level above mid-loop and borate the RCS to 1950 ppm to achieve the subcritical conditions.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve [a significant hazards consideration] because the changes would not:

1. Involve a significant increase in the probability or consequence of an accident previously evaluated.

Refueling Operations Technical Specification 3.9.1 requires that, with the reactor vessel head unbolted or removed, the boron concentration of all filled portions of the Reactor Coolant System and the refueling canal shall be maintained uniform and sufficient to ensure that the more restrictive of the following conditions is met:

- a. Either a Keff of 0.95 or less, or
- b. A boron concentration of greater than or equal to 1720 ppm

The proposed technical specification change would strike the words "of all filled portions" and "uniform and" and add a footnote indicating that for the Cycle 13 mid-cycle core offload activities, it is acceptable for the boron concentrations of the water volumes in the steam generators and connecting piping to be as low as 1300 ppm. In addition, a surveillance will be added to determine that the boron concentration in the steam generators is greater than or equal to 1300 ppm prior to entry into Mode 6.

The impact of the change on the boron dilution accident and the loss of shutdown cooling flow has been evaluated. Based upon this evaluation, the proposed change to Technical Specification 3.9.1 does not involve a significant increase in the probability or consequences of these accidents. The probability of a boron dilution accident or a loss of shutdown cooling event is not increased by allowing the RCS [reactor coolant system] boron concentration in the stagnant regions of the RCS to be less than the previously required concentration since this is compensated by increasing the boron concentration requirement of the shutdown cooling loop in Mode 6. The consequences of a boron dilution accident would not be increased. In fact, the compensatory measure of increasing the RCS boron concentration in the shutdown cooling loops and reactor vessel core regions will result in a higher initial boron concentration for the boron dilution accident, which would actually increase the time to core criticality, ensuring that the operator has at least 30 minutes to intervene. The consequences of a loss of shutdown cooling flow are not increased as the core would continue to remain greater than 5% subcritical (assuming all the control element assemblies remain inserted) without operator intervention even if the less borated water in the stagnant regions of the RCS reached the core regions without mixing.

2. Create the possibility of a new or different kind of accident from any previously evaluated.

By maintaining 1950 ppm in the active region of the RCS, the required shutdown margin is assured, even in the unlikely event that the stagnant [regions] of the RCS mix with the active regions. Thus, the proposed technical specification change would not create the possibility of a new or different type of accident than previously evaluated. Further, the proposed change has no impact on the mitigation of a boron dilution accident or a loss of shutdown cooling event.

3. Involve a significant reduction in the margin of safety.

The proposed technical specification change will not result in a significant reduction in the margin of safety. The results of the boron dilution accident, and the loss of shutdown cooling event are not adversely impacted by the modification to the RCS boration technical specification. In the event of a boron dilution accident, the operator will continue to have at least 30 minutes to prevent core criticality. Without crediting operator intervention, the potential core boron reduction associated with a loss of shutdown cooling event will not result in core criticality. As such, there is no reduction in the margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the Federal Register a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this Federal Register notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be

examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By August 12, 1996, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Learning Resources Center, Three Rivers Community-Technical College, 574 New London Turnpike, Norwich, Connecticut, and the Waterford Library, ATTN: Vince Juliano, 49 Rope Ferry Road, Waterford Connecticut. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the

Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with

the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to Phillip F. McKee: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this Federal Register notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to Ms. L. M. Cuoco, Senior Nuclear Counsel, Northeast Utilities Services Company, Post Office Box 270, Hartford, Connecticut 06141-0270, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1) (i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated July 3, 1996, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Learning Resources Center, Three Rivers Community-Technical College, 574 New London Turnpike, Norwich, Connecticut, and the Waterford Library, ATTN: Vince Juliano, 49 Rope Ferry Road, Waterford, Connecticut.

Dated at Rockville, Maryland, this 3rd day of July 1996.

For the Nuclear Regulatory Commission.
Daniel G. McDonald,
Sr. Project Manager, Northeast Utilities Project Directorate, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 96-17653 Filed 7-10-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. 30-7022]

Notice of Intent to Remove the RTI Inc., Rockaway, New Jersey Site From the NRC Site Decommissioning Management Plan

SUMMARY: This notice informs the public that the U.S. Nuclear Regulatory Commission intends to remove the RTI Inc., Rockaway, New Jersey site from the list of contaminated sites in NRC's Site Decommissioning Management Plan (SDMP). Remediation of residual radioactive contamination in areas of the facility has successfully been completed and the facility meets the current NRC criteria for release for unrestricted use.

DATES: The NRC hereby provides notice of an opportunity to comment on the proposed NRC action. Comments must be submitted by no later than August 12, 1996. Comments received after this date will be considered if it is practical to do so, but the Commission is able to assure consideration only for comments received on or before this date.

ADDRESSES: Written comments should be sent to USNRC, Region I, Attn: Anthony Dimitriadis, 475 Allendale Road, King of Prussia, Pennsylvania 19406. Hand deliver comments to 475 Allendale Road, King of Prussia, PA 19406 between 7:45 a.m. and 4:15 p.m. on Federal workdays.

FOR FURTHER INFORMATION CONTACT: Anthony Dimitriadis, Division of Nuclear Materials Safety, USNRC, Region I, 475 Allendale Road, King of Prussia, PA 19406, Telephone: (610) 337-6953.

SUPPLEMENTARY INFORMATION: The RTI site in Rockaway, New Jersey, was identified in 1988 by the NRC as a site where significant residual radioactive contamination was present as a result of past operations. RTI is licensed by NRC to perform irradiation of commercial products using a cobalt-60 in-air irradiator. Leakage from the cobalt-60 sources in the 1970's contaminated the irradiator storage pool. Disposal of contaminated waste and effluent discharge caused contamination of soil outside the irradiator.

RTI identified radioactive contamination at various locations inside and outside the fenced area of the site. As a result, NRC included this site in the list of contaminated sites contained in the Site Decommissioning Management Plan (SDMP) in 1990 to ensure that remediation of the areas was accomplished in a timely manner. The site was listed in the SDMP because it satisfied the criterion of large amounts of contaminated soil or burial grounds that may be difficult to decommission.

RTI has remediated residual contamination in the various areas on the site property, performed radiological surveys in those areas, and requested by letter dated June 14, 1996, that the NRC remove the Rockaway, New Jersey site from the SDMP. The staff of the NRC's Region I Division of Nuclear Materials Safety has reviewed and approved various remediation activities since 1987. The staff has also reviewed various records of past activities at the site and the radiological surveys performed by RTI and their contractor and conducted confirmatory radiological measurements at the site. Based on these reviews and independent measurements, the NRC staff has determined that the facility meets the requirements for release of these areas for unrestricted use.

The SDMP describes four criteria that make a site eligible for removal from the SDMP list, including (1) Termination of a license after successful remediation, (2) completion of remediation of an inactive area and modification of the active license to reflect the remediation, (3) completion of remediation at an unlicensed site, or (4) transferral of regulatory jurisdiction for remediation. The RTI site has satisfied the second criterion because the licensee has successfully remediated the inactive, contaminated portion of the site. Licensed irradiation operations are planned to continue at the site. Consequently, the NRC staff intends to remove the RTI site in Rockaway, New Jersey, from the SDMP.

For further details with respect to this action, documents are available for inspection at the NRC's Region I offices located at 475 Allendale Road, King of Prussia, PA 19406. Persons desiring to review documents at the Region I Office, should call Ms. Cheryl Buracker at (610) 337-5093 several days in advance to assure that the documents will be readily available for review.

Dated at Rockville, Maryland this 5th day of July, 1996.

For the Nuclear Regulatory Commission.
Michael F. Weber,
Chief, Low-Level Waste and Decommissioning Projects Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 96-17651 Filed 7-10-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. 40-6354]

Notice of NRC Consideration of Removing the Aberdeen Proving Ground, Maryland, Site From the Site Decommissioning Management Plan

SUMMARY: This notice informs the public that the U.S. Nuclear Regulatory Commission is considering the removal of the U.S. Department of the Army, Aberdeen Proving Ground, Maryland, site from the list of contaminated sites contained in NRC's Site Decommissioning Management Plan (SDMP). The NRC intends to remove the site from the SDMP list if it determines that the environmental impact of the continued use of munitions containing depleted uranium (DU) at this location is small and acceptable.

DATES: The NRC hereby provides notice of an opportunity to comment on the proposed NRC action. Comments must be submitted by no later than August 12, 1996. Comments received after this date will be considered if it is practical to do so, but the Commission is able to assure consideration only for comments received on or before this date.

ADDRESSES: Written comments should be sent to USNRC, Region I, Attn: Anthony Dimitriadis, 475 Allendale Road, King of Prussia, Pennsylvania 19406. Hand deliver comments to 475 Allendale Road, King of Prussia, PA 19406 between 7:45 a.m. and 4:15 p.m. on Federal workdays.

FOR FURTHER INFORMATION CONTACT: Anthony Dimitriadis, Division of Nuclear Materials Safety, USNRC, Region I, 475 Allendale Road, King of Prussia, PA 19406, Telephone: (610) 337-6953.

SUPPLEMENTARY INFORMATION: The Department of the Army site at Aberdeen Proving Ground, Maryland, was identified in 1990 by the NRC as a site where significant residual radioactive contamination was present as a result of licensed operations. The Army has tested munitions containing depleted uranium (DU) at the Aberdeen Proving Ground since the 1950's under a license issued under the Atomic Energy Act. DU munitions have been test-fired on an outdoor testing range and have become commingled with unexploded ordnance. Environmental monitoring performed by the Army identified measurable amounts of uranium in some samples, but the existing information was not sufficient to determine if this uranium was naturally occurring or the result of the licensed activities.

The NRC included the Aberdeen site on the list of contaminated sites in the Site Decommissioning Management

Plan (SDMP) in 1990 because it satisfied the criterion of large amounts of contaminated soil that may be difficult to decommission. Since the site was included in the SDMP, NRC has reviewed further the licensee's contention that the uranium contamination is environmentally of low consequence and the licensee's request to continue testing DU munitions at the site. The Department of the Army submitted a study of the long term fate of DU at the Aberdeen site, which was performed by Los Alamos National Laboratory. The study evaluated the current distribution of DU in environmental media (e.g., soil, surface water, groundwater, vegetation) at the Aberdeen site and assesses environmental transport of DU that may result in exposures to humans and wildlife. The study concludes that radiological doses to the environment due to current and projected DU testing at Aberdeen are minimal and acceptably low.

On June 26, 1996, the Department of the Army requested by letter that NRC remove the Aberdeen Proving Ground, Maryland site from the SDMP. The request before the NRC at this time is to authorize continued use of DU at the Aberdeen site based on existing information that shows minimal environmental impact from the Army's DU testing program. Since 1990, the NRC staff has reviewed and approved various actions proposed by the Army including "recovery operations" for all future testing of DU munitions, an Environmental Radiation Monitoring Plan, and the Los Alamos National Laboratory Long Term Fate Study.

The SDMP describes four criteria that make a site eligible for removal from the SDMP list, including (1) termination of a license after successful remediation, (2) completion of remediation of an area and modification of an active license to reflect the remediation, (3) completion of remediation at an unlicensed site, or (4) transferral of regulatory jurisdiction for remediation. Aberdeen does not qualify for removal from the SDMP list under any of these criteria. However, the NRC staff has concluded that the Army has established acceptable procedures for controlling and monitoring the DU testing and that unacceptable environmental impacts are not occurring at the Aberdeen site. In addition, the Army has stated its intent to pay for decommissioning of the firing range and other facilities at Aberdeen in the event that the license is terminated at some point in the future. With these controls in place, little benefit would be gained by continuing to include the Aberdeen site in the SDMP.

Consequently, the NRC staff is considering whether the Aberdeen site should be removed from the SDMP.

For further details with respect to this action, documents are available for inspection at the NRC's Region I offices located at 475 Allendale Road, King of Prussia, PA 19406. Persons desiring to review documents at the Region I Office, should call Ms. Cheryl Buracker at (610) 337-5093 several days in advance to assure that the documents will be readily available for review.

Dated at Rockville, Maryland this 5th day of July, 1996.

For the Nuclear Regulatory Commission
Michael F. Weber,
Chief, Low-Level Waste and Decommissioning Projects Branch Division of Waste Management, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 96-17652 Filed 7-10-96; 8:45 am]

BILLING CODE 7590-01-P

UNITED STATES POSTAL SERVICE

Board of Governors

Notice of Vote to Close Meeting

At its meeting on July 1, 1996, the Board of Governors of the United States Postal Service voted unanimously to close to public observation its meeting scheduled for August 5, 1996, in Detroit, Michigan. The members will consider the Postal Rate Commission Decision and Recommended Opinion in Docket No. MC96-2, Preferred Rates Classification Reform.

The meeting is expected to be attended by the following persons: Governors Alvarado, Daniels, del Junco, Dyhrkopp, Fineman, Mackie, McWherter, Rider and Winters; Postmaster General Runyon, Deputy Postmaster General Coughlin, Secretary to the Board Koerber, and General Counsel Elcano.

The Board determined that pursuant to section 552b(c)(3) of title 5, United States Code, and section 7.3(c) of title 39, Code of Federal Regulations, this portion of the meeting is exempt from the open meeting requirement of the Government in the Sunshine Act (5 U.S.C. 552b(b)) because it is likely to disclose information in connection with proceedings under chapter 36 of title 39, United States Code (having to do with postal ratemaking, mail classification and changes in postal services), which is specifically exempted from disclosure by section 410(c)(4) of title 39, United States Code.

The Board has determined further that pursuant to section 552b(c)(10) of title 5, United States Code, and section 7.3(j) of

title 39, Code of Federal Regulations, the discussion is exempt because it is likely to specifically concern participation of the Postal Service in a civil action or proceeding involving a determination on the record after opportunity for a hearing.

The Board further determined that the public interest does not require that the Board's discussion of these matters be open to the public.

In accordance with section 552b(f)(1) of title 5, United States Code, and section 7.6(a) of title 39, Code of Federal Regulations, the General Counsel of the United States Postal Service has certified that in her opinion the meeting may properly be closed to public observation pursuant to section 552b(c)(3) and (10) of title 5, United States Code; section 410(c)(4) of title 39, United States Code; and section 7.3 (c) and (j) of title 39, Code of Federal Regulations.

Requests for information about the meeting should be addressed to the Secretary of the Board, Thomas J. Koerber, at (202) 268-4800.

Thomas J. Koerber,
Secretary.

[FR Doc. 96-17799 Filed 7-9-96; 2:00 pm]

BILLING CODE 7710-12-M

SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available
From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Schedule 13E-4, SEC File No. 270-190, OMB Control No. 3235-0203.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is publishing the following summary of a collection for public comment.

Schedule 13E-4 is filed pursuant to section 13(e)(1) of the Securities Exchange Act of 1934 by issuers conducting a tender offer. This information is needed to provide full and fair disclosure to the investing public. Schedule 13E-4 takes approximately 232 hours to prepare and is filed by an estimated 121 respondents annually for a total of 28,072 burden hours.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the

agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, NW Washington, DC 20549.

Dated: June 25, 1996.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17636 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available
From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Form ADV-S, SEC File No. 270-43, OMB Control No. 3235-0046.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget requests for approval of extension of the following form:

Form ADV-S is the form for annual reports for registered investment advisers under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1). There are approximately 22,500 registrants filing annually on Form ADV-S. Approximately 22,500 hours are used to meet the requirements of Form ADV-S. This represents one hour per registrant per year.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission,

450 Fifth Street, NW., Washington, DC 20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, DC 20503.

Dated: July 1, 1996.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17637 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22052; 811-8080]

Institutional Series Trust; Notice of Application for Deregistration

July 5, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

APPLICANT: Institutional Series Trust.

RELEVANT ACT SECTION: Order requested under section 8(f).

SUMMARY OF APPLICATION: Applicant requests as order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on June 6, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 31, 1996 and should be accompanied by proof of service on the applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street NW., Washington, D.C. 20549. Applicant, 1285 Avenue of the Americas, New York, NY 10019.

FOR FURTHER INFORMATION CONTACT: Mary T. Geffroy, Staff Attorney, at (202) 942-0553, or Robert A. Robertson, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application

may be obtained for a fee from the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant, a Massachusetts business trust, is an open-end investment management company, registered under the Act. On October 15, 1993, applicant filed with the SEC a notification of registration on Form N-8A pursuant to section 8(b) of the Act. On that same day, applicant filed a registration statement on Form N-1A pursuant to the Securities Act of 1933 to register an indefinite number of shares of beneficial interest. The registration statement became effective on December 21, 1993, and the initial public offering commenced shortly thereafter.

2. Applicant offered one series, comprised of two separate classes of shares, Institutional Shares and Financial Intermediary Shares.

3. On November 29, 1995 (the "Closing Date"), the liquidation of applicant occurred in accordance with an Agreement and Plan of Dissolution, Liquidation and Termination (the "Plan"). The Plan provided for the liquidation of all of the assets of applicant, the distribution of all of the proceeds of such liquidation, in cash, less an amount provided for debts and liabilities of applicant, to the sole shareholder of applicant. On the Closing Date, the final monthly dividends of \$2.547 per share on the Institutional Shares and \$2.539 per share on the Financial Intermediary Shares were paid to applicant's sole shareholder.

4. The net asset value per share for applicant was determined by dividing applicant's assets, less liabilities, by the total number of its outstanding shares. All portfolio securities sold in connection with the liquidation were publicly traded debt instruments for which fair market value was received.

5. On December 13, 1995, applicant's board of trustees, including the trustees who are not interested persons, unanimously approved the Plan and ratified all actions previously taken pursuant to the Plan. In making this determination, the board of trustees considered a number of factors, including, the relatively small size of applicant's assets, the fact that all shareholders other than Mitchell Hutchins Asset Management Inc. had redeemed their shares, the resulting high expense ratio of applicant, and the improbability that sales of applicant's shares could be increased to raise applicant's assets to a more viable level.

6. As of November 28, 1995, there were 8899.942 shares of beneficial interest outstanding (4445.120 of which

were Institutional shares and 4454.822 of which were Financial Intermediary shares), having an aggregate net asset value of \$82,974 and a per share net asset value of \$9.34 per Institutional share and \$8.31 per Financial Intermediary share. There are no other classes of securities of applicant outstanding. As of November 29, 1995, there were no shares of beneficial interest outstanding.

7. No expenses were incurred in connection with the distribution. Nor were brokerage commissions incurred in connection with the liquidation. As of the date of the application, applicant had no assets, liabilities, or unitholders. Applicant is not a party to any litigation or administrative proceeding. Applicant is not engaged, nor proposes to engage, in any business activities other than those necessary for the winding up of its affairs.

8. A notice of termination will be filed on behalf of applicant with the Office of the Secretary of State of the Commonwealth of Massachusetts to effect the termination of applicant as a Massachusetts business trust.

For the SEC, by the Division of Investment Management, under delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17631 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-22054; No. 811-1501]

Lincoln National Variable Annuity Fund B

July 5, 1996.

AGENCY: Securities and Exchange Commission ("SEC" or "Commission").

ACTION: Notice of Application for an Order under the Investment Company Act of 1940 ("1940 Act").

APPLICANT: Lincoln National Variable Annuity Fund B.

RELEVANT 1940 ACT SECTION: Order requested under Section 8(f) of the 1940 Act.

SUMMARY OF APPLICATION: Applicant seeks an order declaring that it has ceased to be an investment company as defined by the 1940 Act.

FILING DATE: The application was filed on March 25, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the SEC and serving Applicant with a copy of the request, personally or by mail. Hearing requests should be

received by the SEC by 5:30 p.m. on July 30, 1996, and should be accompanied by proof of service on Applicant in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the requestor's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicant, Jack D. Hunter, Esq., The Lincoln National Life Insurance Company, 1300 South Clinton Street, P.O. Box 1110, Fort Wayne, Indiana 46802.

FOR FURTHER INFORMATION CONTACT: Patrice M. Pitts, Special Counsel, or Peter R. Marcin, Law Clerk, Office of Insurance Products (Division of Investment Management), at (202) 942-0670.

SUPPLEMENTARY INFORMATION: Following is a summary of the application; the complete application is available for a fee from the Public Reference Branch of the SEC.

Applicant's Representation

1. Fund B was established as a segregated investment account of the Lincoln National Life Insurance Company on December 1, 1966, in accordance with provisions of Indiana insurance law.

2. On May 15, 1967, Fund B filed with the Commission a notification of registration as an investment Company on Form N-8A under Section 8(a) of the 1940 Act.

3. On October 10, 1967, Fund B filed with the Commission: a registration statement (File No. 811-1501) under Section 8(a) of the 1940 Act registering Fund B as an open-end, diversified management investment company; and a registration statement on Form S-5 (File No. 2-27460) to register under the Securities Act of 1933 (the "1933 Act") the securities issued by Fund B—variable annuity contracts issued in a single class. Fund B also commenced the initial public offering of this variable annuity contracts on October 10, 1967, and, pursuant to Rule 24e-2 under the 1940 Act, computed and paid a fee in connection with that offering.

4. Fund B continuously offered its securities from October 10, 1967, to December 31, 1979. Fund B has not sold any new variable annuity contracts since December 31, 1979. Fund B has applied to the Commission pursuant to Rule 477 under the 1933 Act for withdrawal of its registration statement.

5. On May 4, 1995, the Board of Directors of Lincoln Life unanimously

approved an agreement and plan of reorganization between Fund B and Lincoln National Variable Annuity Fund A ("Fund A").¹ The Board of Directors of Lincoln Life and the Boards of Managers of Fund A and Fund B recommended the reorganization on the basis that the consolidation of Fund A and Fund B would lead to economies of scale and administrative efficiencies. Each board further believed that the reorganization was in the best interests of Fund B contract owners in that Fund A, having substantially greater assets than Fund B, had greater flexibility in making investments than did Fund B. In addition, the passage of the Tax Reform Act of 1984 effectively eliminated any justification for the maintenance of both Fund A and Fund B.

6. In connection with the reorganization, on May 5, 1995, Lincoln Life, Fund A, and Fund B together filed an application with the Commission for an order of exemption pursuant to Section 17(b) of the 1940 Act from the provisions of Section 17(a) of the 1940 Act (File No. 812-9590). The application was noticed on August 3, 1995, and an order granting the exemption was issued August 30, 1995.

7. Also, in connection with the reorganization, a registration statement on form N-14 under the 1933 Act (File No. 33-59587) was filed with the Commission on May 25, 1995. The registration statement contained a prospectus/proxy statement that was furnished by the respective Boards of Managers of Fund A and Fund B to all Fund A and Fund B contract owners to solicit voting instructions from such contract owners as to the reorganization and other matters.

8. On August 1, 1995, the contract owners of Fund B met and approved an Agreement and Plan of Reorganization ("Agreement") to merge Fund B into Fund A. Pursuant to the terms of the Agreement, on October 4, 1995, Fund B transferred all of its assets to Fund A and had all of its liabilities and contractual obligations assumed by Fund A, in return for accumulation and annuity units of Fund A. The units of Fund A held by Fund B were then credited to the contract owners of Fund B as follows: each Fund B contract owner was credited with the number of Fund A accumulation or annuity units (both full and fractional) that equals the total accumulation or annuity value under the contract owner's Fund B contract.

¹ Fund A is registered with the Commission under the 1940 Act (File No. 811-1434). A copy of the agreement was filed with the Commission on May 25, 1995, as Exhibit A to a registration statement on Form N-14 (File No. 33-59587).

9. Lincoln Life paid all of the expenses in connection with the reorganization, including costs associated with printing and distributing proxy materials, counting contract owner instructions, legal and auditing fees, and expenses of holding the meeting of contract owners.

10. As of October 3, 1995, the nearest date practicable preceding the reorganization, there were 611 variable annuity contracts outstanding supported by Fund B. The net asset value as of that date was \$7.98 per share, \$7,931,344 in aggregate.

11. The last variable annuity contract was surrendered on October 4, 1995, and the proceeds paid from Fund B upon surrender of those contracts were based upon the accumulation unit values as of that date. As of October 4, 1995, therefore, Fund B had no contract owners and, accordingly, had no contractual liability for the surrender value of any outstanding variable annuity contracts.

12. Fund B has not, within the last 18 months, transferred any of its assets to a separate trust, the beneficiaries of which were or are security holders of Fund B.

13. Fund B has retained no assets and has no security holders. Fund B does not have any debts or other liabilities which remain outstanding and is not a party to any litigation or administrative proceeding.

14. Fund B is not now engaged, nor does it propose to engage, in any business activities other than those necessary for the winding-up of its affairs. Fund B intends to file, after receipt of the relief requested, a certificate of dissolution or similar documents in accordance with state law.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17664 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 35-26540]

Filings Under the Public Utility Holding Company Act of 1935, as amended ("Act")

July 5, 1996.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete

statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by July 29, 1996, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

American Electric Power Company, Inc. (70-5943)

American Electric Power Company, Inc. ("AEP"), 1 Riverside Plaza, Columbus, Ohio 43215, a registered holding company, has filed a post-effective amendment to its declaration under sections 6(a), 7, 32 and 33 of the Act and rules 53 and 54 thereunder.

By orders dated January 3, 1986 (HCAR No. 23980), December 18, 1987 (HCAR No. 24534), December 27, 1990 (HCAR No. 25233) and December 1, 1993 (HCAR No. 25936), the Commission authorized AEP to issue and sell, through December 31, 1996, up to 44 million shares of its authorized but unissued shares of common stock, \$6.50 par value ("Common Stock"), pursuant to its Dividend Reinvestment and Stock Purchase Plan ("Plan"). Through May 15, 1996, a total of 43,416,621 shares of Common Stock had been issued and sold, leaving a balance of 583,379 shares of Common Stock ("Remaining Shares").

By order dated May 10, 1996 (HCAR No. 26516), the Commission authorized, among other things, the use of proceeds of the issuance and sale of up to ten million shares of Common Stock, including Common Stock issued under the Plan, for the acquisition of interests in exempt wholesale generators ("EWGs") and foreign utility companies ("FUCOS"), subject to a limitation on such investments to an amount equal to 50% of AEP's consolidated retained

earnings, in accordance with rule 53 under the Act.

AEP now proposes to extend the time period during which it may issue and sell the Remaining Shares, and issue and sell an additional ten million shares of Common Stock, pursuant to the Plan, through December 31, 2000. As a result thereof, AEP will have total authorization under the Plan to issue and sell up to 54 million shares of Common Stock.

The proceeds of the issuance and sale of the additional shares of Common Stock will be used: (1) To pay, at maturity, unsecured debt of AEP; (2) to make additional investments in the common stock equities of AEP's subsidiaries; and (3) for other general corporate purposes, including the acquisition of interests in EWGs and FUCOs.

Entergy Corporation, et al. (70-8861).

Entergy Corporation ("Entergy"), 639 Loyola Avenue, New Orleans, Louisiana 70113, a registered holding company, and two of its wholly-owned subsidiaries, Entergy Operations, Inc. ("Entergy Operations"), Echelon One, 1340 Echelon Parkway, Jackson, Mississippi 29213 and Entergy Services, Inc. ("Entergy Services" and together with Entergy and Entergy Operations, "Applicants"), 639 Loyola Avenue, New Orleans, Louisiana 70113, have filed an application-declaration under sections 6(a), 7, 9(a), 10 and 13 of the Act and rules 45, 86, 87, 90 and 91.

Applicants requests authority for Entergy to establish a new subsidiary named Entergy Nuclear, Inc. ("Entergy Nuclear"), to serve as a holding company for one or more wholly-owned special purpose companies ("Subsidiaries"). Entergy Nuclear will, directly or through the subsidiaries, provide nuclear plant operations, management and other nuclear-related services and products to domestic and foreign nonassociate companies. All such nuclear-related services and any related products would be provided to nonassociates at market prices.

Entergy Services provides certain administrative, financial, and support services to associates in the Entergy system. To support the sale by Entergy Nuclear of services to nonassociates, Applicants propose that Entergy Services enter into a service agreement with Entergy Nuclear. Under this agreement, Entergy Services may provide to Entergy Nuclear certain administrative and support services that will enable Entergy Nuclear to provide such services to nonassociates. Entergy Nuclear will reimburse Entergy Services for these services at cost, in accordance

with rules 90 and 91 under the Act. Additionally, each of Entergy Nuclear and Entergy Services may provide to the other intellectual property it has developed or otherwise acquired.

Entergy Operations currently operates and manages the five nuclear power generating plants in the Entergy system, which are owned by certain Entergy subsidiaries ("System Nuclear Owners"). To support the sale by Entergy Nuclear of services to nonassociates, Applicants propose that Entergy Operations enter into an agreement with Entergy Nuclear. Under this agreement, Entergy Operations will provide to Entergy Nuclear certain services and products related to nuclear business operations, including the sharing and/or loaning of personnel, that will enable Entergy Nuclear to provide such services to nonassociates.

Under the agreement between Entergy Operations and Entergy Nuclear, Entergy Nuclear may also provide certain services and products related to nuclear business operations, including the sharing and/or loaning of personnel, to Entergy Operations. Each of Entergy Operations and Entergy Nuclear will reimburse the other for services rendered under the agreement at cost, in accordance with rules 90 and 91.

The agreement between Entergy Nuclear and Entergy Operations will also provide that each may provide to the other intellectual property it has developed or otherwise acquired. Under the agreement, Entergy Nuclear may sell to nonassociates rights to intellectual property obtained under the agreement from Entergy Operations, provided that no such sale would prohibit or restrict the continued use of such property by Entergy Operations or the System Nuclear Owners.

Applicants additionally propose that Entergy Nuclear provide certain nuclear-related services and products and administrative and support services to each of the Subsidiaries pursuant to a separate agreement with each such Subsidiary. Each such agreement will also provide for the provision of services related to nuclear business operations by the Subsidiary to Entergy Nuclear.

Services provided by either Entergy Nuclear or the Subsidiary under such an agreement may involve the sharing and/or loaning of personnel from time to time. These services will be provided in accordance with rules 90 and 91. Additionally, each of Entergy Nuclear and a Subsidiary may, under a service agreement between the two, provide to the other certain intellectual property it has developed or otherwise acquired.

Entergy requests authority to make investments in Entergy Nuclear, at one time or from time to time, up to an aggregate amount of \$10 million outstanding at any one time through December 31, 2001. Such investments may take the form of (1) purchase of common stock, (2) capital contributions and open accounts, (3) loans, (4) guarantees of securities or other obligations, or (5) any combination thereof. Further, Entergy Nuclear proposes, through December 31, 2001, to lend to, or act as co-surety or indemnitor with respect to the securities or other obligations of, the Subsidiaries for amounts aggregating up to \$10 million.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17663 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Rel. No. 22053; 812-8418]

Samuel Evans Wyly, et al.; Notice of Application

July 5, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of application for temporary and permanent orders under the Investment Company Act of 1940 ("Act").

APPLICANTS: Samuel Evans Wyly ("Wyly"); Maverick Capital, Ltd. ("Maverick").

RELEVANT ACT SECTIONS: Temporary and Permanent orders requested under section 9(c) for an exemption from the provisions of section 9(a).

SUMMARY OF APPLICATION: Applicants have requested temporary and permanent orders under section 9(c) exempting Wyly and Maverick from the disqualification provisions of section 9(a) with respect to a securities-related injunction entered against Wyly. The orders would permit Maverick to serve as investment subadviser to one portfolio of The Palladian Trust (the "Trust")

FILING DATES: The application was filed on May 28, 1993, and amended on October 1, 1993, December 6, 1994, November 15, 1995, March 1, 1996, and May 15, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a

hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 30, 1996, and should be accompanied by proof of service on applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request such notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 8080 N. Central Expressway, Suite 1300, Dallas, Texas 75206.

FOR FURTHER INFORMATION CONTACT: Courtney S. Thornton, Senior Counsel, at (202) 942-0583, or Alison E. Baur, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. Maverick, a Texas limited partnership, is registered as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act"). All of the partners of Maverick are members of the Wyly family or trusts established for the benefit of family members. Maverick provides investment advice to clients, including a number of private investment companies.

2. Wyly is a general partner and president of Maverick. As president, he oversees the operations of the firm. Wyly's involvement in Maverick's investment advisory business is limited to assisting in formulating its overall investment philosophy and investment objectives. He does not oversee the execution of trades or participate in daily investment management decisions, nor does he perform any financial analysis used to make investment decisions affecting client assets managed by Maverick.

3. In 1979, Wyly was named as a defendant in an injunctive action filed by the Commission (the "Complaint").¹ The Complaint alleged that Wyly had violated section 17(a) of the Securities Act of 1933 and various provisions of

the Securities Exchange Act of 1934 in connection with an exchange offer accompanying a plan of recapitalization of Wyly Corporation. Specifically, the Complaint alleged that, as chairman of the board of directors of the corporation, Wyly had arranged for certain individuals to be compensated beyond the terms of the exchange offer as an inducement to participate in the offer. On December 6, 1979, without admitting or denying any wrongdoing, Wyly consented to the entry of a permanent injunction enjoining him from further conduct in violation of those provisions.

4. The Trust is a registered open-end management investment company. Palladian Advisors, Inc. ("PAI") acts as overall manager of the Trust. In this capacity, PAI evaluates and recommends to the Trust registered investment advisers to be retained as portfolio managers by the Trust, monitors their performance, and makes periodic reports to the Trust. Tremont Partners ("Tremont"), an investment adviser registered under the Investment Advisers Act of 1940 ("Advisers Act"), will assist PAI in the management of the Trust, and will provide investment consulting services relating to the development, implementation, and management of the Trust's multiple portfolio manager program. Tremont also will assist PAI with the periodic reevaluation of these portfolio managers.

5. Maverick has been asked by PAI to act as subadviser for one of the portfolios of the Trust. If the requested relief is granted, Wyly will not have any role in the management of the assets of the Trust portfolio. Lee A. Ainslie, III ("Ainslie"), a managing director of Maverick, will be responsible for the investment decisions made on behalf of the Trust portfolio and will have final decision-making responsibility. Ainslie will work with Maverick's chief compliance officer, Michael French, whose decisions on compliance matters are final and are not subject to review by Wyly or any other partner, officer, or employee of Maverick.

Applicants' Legal Analysis

1. Section 9(a)(2), in relevant part, prohibits any person who has been enjoined from engaging in or continuing any conduct or practice in connection with the purchase or sale of a security from acting as an employee, officer, director, member of an advisory board, investment adviser, or depositor of any registered investment company. In addition, a company whose employee or other affiliated person is ineligible to serve in any such capacity under section

9(a)(2) is similarly disqualified under section 9(a)(3). Accordingly, Wyly is subject to the disqualification provisions of section 9(a)(2) because of the injunction, and Maverick is disqualified under section 9(a)(3) because Wyly is an affiliated person of Maverick.²

2. Section 9(c) provides that the Commission shall grant an application for an exemption from the disqualification provisions of section 9(a), either unconditionally or on an appropriate temporary or other conditional basis, if it is established that these provisions, as applied to the applicant, are unduly or disproportionately severe, or that the conduct of the applicant has been such as not to make it against the public interest or protection of investors to grant such application.

3. Applicants state that the injunction was entered over sixteen years ago, and note that Wyly has complied fully with the terms of the injunction since then. In addition, applicants assert that neither Wyly nor Maverick has been subject to any other enforcement or disciplinary proceeding brought by the Commission, any other federal or state law enforcement or regulatory agency, or any self-regulatory organization. Moreover, the actions that gave rise to the injunction did not relate to any investment advisory or investment company activity.

4. Applicants state that they have retained two independent consultants to perform on-site inspections of Maverick's existing advisory business and preparedness to take on investment company management. The consultant on Advisers Act issues certified that, to the best of its knowledge, Maverick (1) is currently in compliance with the Advisers Act and state adviser laws, (2) has developed new written procedures relating to its investment advisory activities, and (3) has adequate procedures in place to provide reasonable assurance that it will remain in compliance with those laws. Another consultant reviewed Maverick's existing capabilities and procedures to determine if Maverick was in a position to take on the responsibility of managing an entity subject to the Act. Although this consultant has recommended general procedures for Maverick to follow in connection with its proposed investment company activities, it has been unable to recommend precise procedures for Maverick to follow because Maverick

¹ SEC v. Samuel E. Wyly, Civil Action No. 79-3275 (D.D.C. 1979).

² Section 2(a)(3)(D) defines an "affiliated person" of another as any officer, director, partner, copartner, or employee of such other person.

has not yet been told which portfolio of the Trust it will be asked to manage. Once this has been decided, PAI will provide Maverick with a compliance manual, which the consultant or outside counsel will review to ensure that it meets applicable requirements under the Act. Maverick's compliance procedures then will be updated to reflect this review of the compliance manual provided by PAI.

5. Maverick will continue to utilize the services of both consultants if temporary and permanent relief is granted. Before the expiration of the one year temporary order, applicants will have each consultant perform another thorough inspection of Maverick's operations and certify to the Commission that applicants are in compliance with the securities laws before the Division acts on the request for permanent relief. Further, as a condition to the permanent exemption, applicants will agree to have the consultants perform on-site periodic audits of Maverick to make sure that Maverick is following the compliance procedures. Neither Wyly nor Maverick will be able to dismiss either of the consultants without appointing another consultant that is not unacceptable to the Commission.

6. Applicants argue that, in light of the foregoing procedures, barring Maverick from serving as a subadviser to one portfolio of a registered investment company because of events that occurred more than 16 years ago would be unduly and disproportionately severe. Applicants also state that Wyly will not be involved in advisory activities for the Trust and assert that his conduct during the 16 years since the entry of the injunction has been such as not to make it against the public interest or protection of investors to grant the relief requested.

Applicants' Conditions

1. Applicants agree that any temporary order granted pursuant to the application will be subject to the following conditions:

a. With respect to registered investment companies, Maverick will provide investment advice only as subadviser to one portfolio of the Trust.

b. Wyly will not have a direct, personal role in providing investment advice to the Trust.

c. Wyly will not attend any partnership meeting at which the operations of, or provision of investment advice to, the Trust portfolio are proposed to be discussed, and will excuse himself from any meeting at which such subjects arise. Further, Wyly will not discuss the provision of

investment advice to such portfolio with any person responsible for providing such advice.

d. When Maverick is appointed subadviser to a specific portfolio of the Trust, applicants will provide Maverick's updated compliance manual and the updated consultant's report on Maverick's compliance procedures to the Division.

2. Applicants agree that any permanent relief granted pursuant to the application will be subject to the conditions to the temporary relief and the following additional conditions:

a. Prior to the expiration of the temporary order, an independent consultant(s) not unacceptable to the SEC will confirm in writing to the SEC that Maverick is operating in compliance with the Act and the Advisers Act.

b. Maverick's chief compliance officer will certify annually that Maverick has complied with the procedures and practices referred to in the consultants' reports, and that those procedures and practices continue to be sufficient to ensure Maverick's compliance with the state and federal securities laws. One copy of that certification will be maintained as part of the permanent records of Maverick, and one copy will be delivered to the board of directors of the Trust.

c. An independent consultant(s) not unacceptable to the SEC will conduct periodic on-site inspections of Maverick to ensure that Maverick is following all compliance procedures.

By the Commission.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17629 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37393; File No. SR-CBOE-96-35]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., To Amend the Firm Facilitation Exemption

July 2, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 12, 1996, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in

¹ 15 U.S.C. § 78s(b)(1) (1988).

² 17 CFR 240.19b-4.

Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The CBOE, pursuant to Rule 19b-4 of the Act, proposes to amend the firm facilitation exemption provisions of its common or basic position limit rule.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change, and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

Earlier in 1996, the CBOE obtained Commission approval to expand the firm facilitation exemption³ from position and exercise limits to all non-multiply-listed Exchange option classes.⁴ Interpretation .06 to Exchange Rule 4.11, the common or basic position limit rule, contains the new firm facilitation exemption provisions. Currently, only a member firm who facilitates and executes an order for its own customer⁵ may qualify for a firm facilitation exemption.

The CBOE is proposing to amend the firm facilitation exemption so that both: (a) A member firm who facilitates its own customer whose account it carries, whether the firm executes the order itself or gives the order to an independent broker for execution; and (b) a member firm who receives a customer order for execution only (and thus will not have the resulting position carried by the firm, may qualify for this

³ The CBOE notes that a facilitation trade is a transaction that involves crossing an order of a member firm's public customer with an order from the member firm's proprietary account.

⁴ See Securities Exchange Act Release No. 36964 (March 13, 1996), 61 FR 11453 (March 20, 1996) (File No. SR-CBOE-95-68).

⁵ The CBOE defines a customer order as one that is entered, cleared, and in which the resulting position is carried with the firm.

exemption. The CBOE believes that the proposed rule change will better allow its member firms to meet the investing needs of their customers.

Because the proposed amendment to the firm facilitation exemption should enhance the depth and liquidity of the market by allowing member firms an exemption from position limits to facilitate large customer orders, whether they are firms who accept customer orders for execution only, or they are firms who carry their customers' accounts and positions, the Exchange believes that this rule change is consistent with and furthers the objectives of Section 6(b)(5) of the Act in that it would remove impediments to and perfect the mechanism of a free market in a manner consistent with the protection of investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The CBOE does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on the Comments on Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the publication of this notice in the Federal Register, or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding, or (ii) as to which self-regulatory organization consents, the Commission will:

- A. By order approve the proposed rule change, or
- B. Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written

communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at the principal office of the CBOE. All submissions should refer to File No. SR-CBOE-96-35 and should be submitted by August 1, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁶

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17665 Filed 7-10-96; 8:45 am]
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[Release No. 34-37394; File No. SR-DTC-96-10]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Processing Schedule for Deposits and Withdrawals of Government Securities

July 2, 1996.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on May 30, 1996, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by DTC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change modifies DTC's processing schedule for deposits and withdrawals of government securities eligible for settlement through the Federal Reserve Book-Entry ("FBE") system.

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

In its filing with the Commission, DTC included statements concerning

the purpose of the basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. DTC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

DTC proposes to revise the processing schedule for deposits and withdrawals of government securities eligible for settlement through the FBE system. In the past, participants depositing securities through the FBE system were required to deposit eligible securities by 12:30 p.m. Eastern Standard Time ("EST") in order to receive credit in time for the securities to be used the same day for DTC book-entry deliveries for value. As a result of recent changes in the cutoff time for the FBE system and the recent conversion by DTC to a same-day funds settlement system, DTC is able to extend from 12:30 p.m. to 2:00 p.m. EST the time by which a participant may deposit such securities through the FBE system so that the securities may be used that day for valued book-entry deliveries.

DTC is also able to extend the time by which a participant may withdraw securities eligible for the FBE system in order to make a book-entry delivery from DTC's account at the Federal Reserve Bank of New York ("FRBNY") to another FRBNY member. DTC proposes to extend the cutoff time for the withdrawal of FBE system eligible securities from 11:00 a.m. EST to 1:00 p.m. EST.

The proposed rule change is consistent with the requirements of Section 17A of the Act,³ in that the proposed rule change will promote efficiencies in the clearance and settlement of government securities transactions.

(B) Self-Regulatory Organization's Statement on Burden on Competition

DTC does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

² The Commission has modified parts of these statements.

³ 15 U.S.C. 78q-1 (1988).

⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1) (1988).

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments from DTC participants or others have not been solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A)(iii) of the Act⁴ and Rule 19b-4(e)(4),⁵ in that the proposal effects change in an existing service of a registered clearing agency that does not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible and does not significantly affect the respective rights or obligations of the clearing agency or persons using the service. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection at DTC. All submissions should refer to the File No. SR-DTC-96-10 and should be submitted by August 1, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁶

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17635 Filed 7-10-96; 8:45 am]

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[Release No. 34-37397; File No. SR-MSRB-96-03]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Confirmation, Clearance, and Settlement of Transactions with Customers and Calculations for Confirmation Display

July 2, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934¹ ("Act"), notice is hereby given that on May 29, 1996, the Municipal Securities Rulemaking Board ("MSRB") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The MSRB proposes to amend MSRB rule G-15 regarding confirmation, clearance, and settlement of transactions with customers, and MSRB rule G-33 regarding calculations for confirmation display.

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

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The MSRB has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of and Statutory Basis for, the Proposed Rule Change

Recently, the MSRB amended rule G-15(a) regarding customer confirmations to clarify the customer confirmation requirements and to revise certain requirements regarding disclosure.³ To clarify certain provisions of the rule, a limited set of technical amendments became effective February 26, 1996.⁴

The MSRB has identified a need for two additional technical amendments to clarify certain provisions of the rule. First, revised rule G-15(a)(i)(C)(2)(a) requires dealers to disclose on the confirmation the date and price of the next pricing call.⁵ The provision also requires dealers to print a legend on the confirmation regarding additional call features if there are any call features in addition to the first pricing call. The MSRB's proposal changes the reference from the "first pricing call" to the "next pricing call" to maintain consistency of terms and to avoid confusion. Since a municipal security traded in the secondary market may be traded after the first pricing call, the term next pricing call more clearly identifies the call to be disclosed on the confirmation.

The second proposed technical amendment concerns the requirement in rule G-15(a)(i)(D)(1) to provide a three-part disclosure statement for zero coupon bonds. The rule currently states that the confirmation for zero coupon bonds shall include a statement that there are no periodic payments and that the bond is callable below maturity value without notice by mail to the holder unless registered. The proposed rule change makes clear that the last part of the disclosure statement regarding call provisions for bearer bonds is necessary on confirmation only if the bonds are both callable and available in bearer form.

The proposed rule change also updates references to revised rule G-15(a) that are contained in rule G-15(c) regarding deliveries to customers and that are contained in rule G-33

³ For a complete description of the rule change, refer to Securities Exchange Act Release No. 35953 (July 11, 1995), 60 FR 36843 [File No. SR-MSRB-95-04] (order approving proposed rule change by the MSRB relating to customer confirmations).

⁴ Securities Exchange Act Release No. 36596 (December 15, 1995), 60 FR 66571 [File No. SR-MSRB-95-18] (notice of filing and immediate effectiveness of proposed rule change relating to customer confirmations).

⁵ MSRB rule G-15 defines pricing call as a call feature that represents an "in-whole call" (i.e., a call of the entire issue) that may be used by the issuer without restriction in a refunding.

⁶ 17 CFR 200.30-3(a)(12) (1995).

¹ 15 U.S.C. § 78s(b)(1) (1988).

² The Commission modified the text of the summaries prepared by the MSRB.

⁴ 15 U.S.C. 78s(b)(3)(A)(iii) (1988).

⁵ 17 CFR 240.19b-4(e)(4) (1995).

regarding certain calculations for confirmation display.⁶

The MSRB has adopted the proposed rule change pursuant to Section 15B(b)(2)(C) of the Act,⁷ which requires that the MSRB's rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.

(B) Self-Regulatory Organization's Statement on Burden on Competition

The MSRB does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

(C) Self-Regulatory Organization's Statements on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii)⁸ of the Act and pursuant to Rule 19b-4(e)(6)⁹ promulgated thereunder because the proposed rule change (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; (iii) was provided to the Commission for its review at least five days prior to the filing date; and (iv) does not become operative for thirty days from the date of its filing on May 29, 1996. The Commission believes that the proposed rule change does not significantly affect the protection of investors or the public interest and does not impose any significant burden on competition because it makes technical and clarifying changes to an existing MSRB rule. At any time within sixty days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the

Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the MSRB. All submissions should refer to File No. SR-MSRB-96-03 and should be submitted by August 1, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17666 Filed 7-10-96; 8:45 am]
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[Release No. 34-37407; File No. SR-NASD-96-19]

Self-Regulatory Organizations; Order Granting Accelerated Approval of Proposed Rule Change by National Association of Securities Dealers, Inc., Relating to Amendments to Forms U-4 and U-5

July 5, 1996.

On May 16, 1996, the National Association of Securities Dealers, Inc. (NASD or Association) filed with the Securities and Exchange Commission (SEC or Commission) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (Act)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend the Uniform Application for Securities Industry

Registration or Transfer, Form U-4, and the Uniform Termination Notice for Securities Industry Registration, Form U-5.

The proposed rule change was published for comment in Securities Exchange Act Release No. 37289 (June 7, 1996), 61 FR 30272 (June 14, 1996). No comments were received by the Commission. This order grants accelerated approval to the proposed amendments.

1. Background and Description of the Proposal

Since November 1993, in support of efforts to redesign the Central Registration Depository (CRD), a task force comprising the North American Securities Administrators Association (NASAA), industry representatives, the SEC, NASD and other SROs has worked to revise the uniform registration forms (Form U-4 and Form U-5). The NASD has undertaken an extensive redesign effort to improve the CRD which will require electronic filing of registration-related forms.³ The redesigned CRD is intended to offer more efficient processing of registration-related filings and user friendly access to information contained in those filings for all industry and regulatory participants.

The revised Forms U-4 and U-5 define how information regarding securities industry representatives and securities firms will be collected and stored in the revised CRD. Implementation of the amended forms will coincide with implementation of the redesigned CRD. The forms revision effort is intended to provide more useful and accurate information for entry into the CRD. The most significant changes relate to the disclosure questions on Forms U-4 and U-5. The revisions will provide for more detailed reporting to support new functionality created by CRD's redesign. The forms have been revised to include:

- Expansion of Page 1 of Form U-4 and the parallel items on Form U-5 to handle the registration of non-members and to accommodate multiple types of registration or notices of termination for Investment Adviser Representative and Agent of Issuer registrations. (In the long term, the new CRD will ultimately contain licensing data bases for non-members.)

³ The Commission is currently reviewing a proposal by the NASD to amend its By-Laws and Membership and Registration Rules to require member firms to submit information on Forms U-4, U-5, and BD via electronic means and to establish electronic filing protocols. File No. SR-NASD-96-21; Securities Exchange Act Release No. 37291 (June 7, 1996), 61 FR 30269 (June 14, 1996).

⁶ The specific changes being made to the MSRB's rules are set forth in the MSRB's proposed rule change, which is available through the MSRB or the Commission's Public Reference Room.

⁷ 15 U.S.C. § 780-(b)(2)(C) (1988).

⁸ 15 U.S.C. § 78s(b)(3)(A)(iii) (1988).

⁹ 17 CFR 240.19b-4(e)(6) (1995).

¹⁰ 17 CFR 200.30-3(a)(12) (1995).

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4 (1994).

- Addition of a statement on Page 4 of Form U-4 that will be executed by the applicant and retained by the member firm, that authorizes the member firm to make electronic filings on behalf of the applicant.

- An option for the applicant and member firm to request on the Form U-4 processing under a Relicensing Program. This program is intended to replace the existing Temporary Agent Transfer (TAT) Program. The new program will result in expedited handling for eligible persons including most individuals who previously have reported an affirmative answer to disclosure questions on their Forms U-4, but who have no new disclosure upon transfer.

- An opportunity for an individual to provide a summary of the circumstances relating to an internal review disclosure submitted by the individual's former employer on the Form U-5.

- Item 22, the disclosure question on the Form U-4 and the parallel disclosure items on the Form U-5 have been made consistent with each other to the extent possible.

- The questions relating to disclosure have been categorized to provide a uniform format to collect, display and sort disclosure detail.

- Each category of disclosure has its own custom Disclosure Reporting Page (DRP) soliciting detail unique to that category.

- Each custom DRP solicits detail to provide the information that regulators have indicated they need in order to make informed registration decisions. The revised DRPs require more detail than the current DRPs, which will reduce the number of requests for additional disclosures that prolong the review and registration process.

The forms also contain a new customer complaint question. The question was developed after discussion between representatives from the NASD, NASAA and the securities industry. The NASD believes the new question will clarify the types of complaints that have to be reported on the Forms U-4 and U-5. The question will require the reporting of all written customer complaints that allege sales practice rule violations and compensatory damages of \$5,000 or more. The definition of the term of "sales practice violations" will be included in the explanation of terms section of the forms. The NASD intends to issue a Notice of Members which will include a list of examples of sales practice violations under this section and the instructional software in the new CRD system will have this list as well. The NASD will periodically revise this list as warranted.

Written complaints, which do not evolve into arbitration, civil litigation or a settlement over the jurisdictional amount, will be deleted from the CRD system two years from the date the complaint was reported to the CRD. All arbitration and civil litigation proceedings involving securities transaction matters will be reported regardless of the dollar amount of compensatory damages. All settlements of \$10,000 or more will be reported as well.

The NASD recently began a test pilot phase of the new CRD system with eleven firms and one service bureau that agreed to participate. The pilot participants will go into actual production on the new system on approximately July 29, 1996 using the revised Forms U-4 and U-5. The NASD intends to phase-in the use of the amended Forms with the remaining NASD members commencing on approximately September 9, 1996 and concluding on approximately November 7, 1996.

II. Commission Findings

The Commission finds that the proposed amendments to Forms U-4 and U-5 are consistent with the provisions of Section 15A(b)(6) of the Act.⁴ The amended forms will make the filing of disclosable information easier and more efficient for the securities industry. In addition, the amended forms will provide more detailed information for use by securities regulators, thus fostering the protection of investors and the public interest.

The Commission finds good cause to approve the proposed rule change prior to the 30th day after the date of publication of notice of filing in the Federal Register. The forms were published for comment by NASAA in August 1995 and the revised customer complaint question also was published by NASAA in March 1996. Comments that were received have been addressed by amendments to the forms. As stated earlier, the Commission has received no comment letters on the instant proposal. In addition, the Commission believes that accelerated approval is warranted so the NASD can print and distribute the new forms in time for NASD members to become familiar with the forms prior to their use in July and September 1996.

III. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,⁵ that the

⁴ 15 U.S.C. 78o-3(b)(6) (1988).

⁵ 15 U.S.C. 78s(b)(2) (1988).

proposed rule change (SR-NASD-96-19) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Jonathan G. Katz,

Secretary.

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[Release No. 34-37405; International Series Release No. 1002; File No. SR-NYSE-96-12]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 to the Proposed Rule Change by New York Stock Exchange, Inc., Relating to Equity-Linked Debt Securities

July 3, 1996.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1) (the "Act"), notice is hereby given that on May 17, 1996, the New York Stock Exchange, Inc. filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Exchange filed with the Commission Amendment No. 1 to the proposed rule change on June 7, 1996.¹ The Commission is approving the Exchange's proposal, as amended, on an accelerated basis, and solicits comments from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The New York Stock Exchange, Inc. ("NYSE" or "Exchange") is proposing amendments to its listing standards for Equity-Linked Debt Securities ("ELDS"). These listing standards are contained in Para. 703.21 of its Listed Company Manual.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received

¹ In Amendment No. 1, the Exchange proposes to amend the proposed rule change to delete footnote one in Para. 703.21 of the NYSE Listed Company Manual. In light of the proposed 20% Test + Daily Trading Volume Standard described more fully herein, the Exchange believes that the footnote is unnecessary. See Letter from James E. Buck, NYSE, to Jonathan G. Katz, Secretary, Commission, dated June 7, 1996 ("Amendment No. 1").

on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

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

(a) *Purpose*—ELDS are non-convertible debt securities of an issuer where the value of the debt is based, at least in part, on the value of another issuer's common stock or non-convertible preferred stock (the "underlying security"). As initially adopted, the Exchange's listing standards permitted the listing of ELDS only if the underlying security was issued by a U.S. company.² The Exchange subsequently amended these standards to permit the listing of ELDS based on underlying securities of widely-held non-U.S. companies which are traded in the U.S. market as sponsored³ American Depository Receipts, or ordinary shares ("non-U.S. securities") if either (i) the Exchange has an effective, comprehensive surveillance sharing agreement with the primary market for the security or (ii) if over half of the volume in the underlying security occurs in the United States (the "Primary Market Test").⁴

The Exchange proposes to amend its ELDS listing standards by (1) revising the manner in which the Primary Market Test is calculated; (2) adding new criteria for the listing of ELDS on non-U.S. securities based on the daily trading volume in the U.S.; and (3) revising the current restrictions on the size of ELDS issuances linked to non-U.S. securities.

Under the Primary Market Test, the Exchange can list ELDS if (i) for non-U.S. securities that trade in the United States as ordinary shares, at least half the world-wide volume in the security is in the United States or (ii) for non-U.S. securities that trade in the United States as sponsored American Depository Receipts ("ADRs"), the

Relative ADR Volume"⁵ is at least 50 percent.

When the Exchange first adopted ELDS listing standards for non-U.S. securities, "Relative ADR Volume" was defined generally to require at least half of the trading volume in the security or the ADR, on a share equivalent basis, to be in the United States. However, in October 1995, the Commission approved amendments to that definition so that it now includes both U.S. volume and volume in any other market with which the Exchange has an effective, comprehensive surveillance sharing agreement ("permitted markets") in determining whether the Primary Market Test is satisfied.⁶

By incorporating the definition of "Relative ADR Volume" into the ELDS listing standards, the Exchange can now list ELDS on non-U.S. companies if the underlying security trades in the United States, as sponsored ADRs and at least half the volume in the security is in the United States or in permitted markets. The Exchange also proposes to include the definition of "Relative U.S. Share Volume" as a conforming change to the ELDS listing standards for non-U.S. securities that trade in the United States as ordinary shares.⁷

Second, the Exchange proposes to add an alternate set of criteria for the listing of ELDS on non-U.S. securities ("20% Test + Daily Trading Volume Standard"). These criteria will permit the Exchange to list ELDS on securities of non-U.S. issuers if: (i) the volume in U.S. markets⁸ is at least 20 percent of world-wide volume for the most recent six months; (ii) average daily U.S.

trading volume for the six-month period is at least 100,000 shares; and (iii) the actual trading volume on the majority of trading days in the United States during the six months is at least 60,000 shares.

Moreover, the Exchange proposes to amend the size limitations of ELDS issuances linked to non-U.S. securities. Specifically, the Exchange proposes to require that the size of ELDS issuances linked to non-U.S. securities will be limited to 2% of the total shares of the underlying security outstanding provided at least 20% (instead of the current 30% requirement) of the worldwide trading volume in the security and related for the six-months prior to the listing occurred in the U.S. market.⁹

The Exchange also proposes to delete footnote one from Section 703.21 of the NYSE Listed Company Manual. That footnote refers to the Exchange's ability to list ELDS linked to non-U.S. securities if there is not an effective, comprehensive surveillance information agreement with the primary exchange in the country where the security is primarily traded. Specifically, the provision currently requires such an agreement if the Primary Market Test was not satisfied. In light of the proposed 20% Test + Daily Trading Volume Standard, the Exchange believes that this provision should no longer be applicable.¹⁰

The Exchange believes that the proposed rule change will expand the number of non-U.S. securities that may underlie ELDS. In so doing, it will benefit investors by enhancing investment flexibility and increasing the ability of U.S. persons to invest in securities linked to highly-capitalized and actively-traded non-U.S. securities. The Exchange believes that the proposed criteria are carefully crafted to limit eligibility to those non-U.S. securities that have a significant amount of U.S. market trading interest or that trade in markets with which the Exchange has an effective, comprehensive surveillance sharing agreement. The Exchange believes that it will accordingly have the ability to gather information on potential trading problems or irregularities in the primary market for the security.

(b) *Basis*—The Exchange believes that the proposed rule change is consistent with the Act and the requirements of Section 6(b)(5) of the Act in that the proposal is designed to prevent

⁹ As with the 20% Test + Daily Trading Volume Standard, foreign markets with which the Exchange has in place a comprehensive surveillance sharing agreement are not included in the calculation for determining the size of eligible ELDS issuances.

¹⁰ See Amendment No. 1, *supra* note 1.

⁵ The "Relative ADR Volume" is the ratio of (A) the combined trading volume (on a share equivalent basis) of the ADR and "other related ADRs and securities" (as defined below) occurring in U.S. markets or in any other market with which the Exchange has in place an effective surveillance information sharing agreement to (B) the combined worldwide trading volume in the ADR, the security underlying the ADR and "other related ADRs and securities". For the purposes of the preceding sentence, "other related ADRs and securities" refers to the security underlying the ADR, other classes of common stock related to the underlying security, and ADRs overlying such other classes of stock. See NYSE Rule 715, Supplementary Material .40 (iv).

⁶ See Securities Exchange Act Release No. 36434 (October 30, 1995), 60 FR 56071 (November 6, 1995) (order approving revised listing standards for options on ADRs).

⁷ Specifically, the proposed definition of "Relative U.S. Share Volume" is the ratio of (i) the combined trading volume of the security and related securities in the United States and in any other market with which the Exchange has in place an effective, comprehensive surveillance information sharing agreement to (ii) the worldwide trading volume in such securities.

⁸ This 20% Test + Daily Trading Volume Standard calculation does not include foreign markets with which the Exchange has in place a comprehensive surveillance sharing agreement.

² See Securities Exchange Act Release No. 33468 (January 13, 1994), 59 FR 3387 (January 21, 1994).

³ As opposed to an unsponsored ADR, a sponsored ADR is established jointly by the issuer of the underlying security and depository. With a sponsored ADR, the depository is generally required to distribute notices of shareholder meetings and voting instructions to ADR holders, thereby ensuring the ADR holders will be able to exercise voting rights through the depository with respect to the underlying securities.

⁴ See Securities Exchange Act Release No. 34545 (August 18, 1994), 59 FR 43877 (August 25, 1995).

fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes that the proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

III. Commission's Findings and Order Granting Accelerated Approval

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, the requirements of section 6(b)(5) of the Act.¹¹ Specifically, the Commission finds that the Exchange's proposal to provide alternate criteria for the listing and trading of ELDS on non-U.S. securities strikes a reasonable balance between the Commission's mandates under section 6(b)(5) to remove impediments to and perfect the mechanism of a free and open market and a national market system, while protecting investors and the public interest.

The Commission believes that the proposed amendments to the listing standards for ELDS on non-U.S. securities will benefit investors by effectively increasing the number of available ELDS-eligible non-U.S. securities. At the same time, as described below, the proposal provides safeguards designed to reduce the potential for manipulation and other abusive trading strategies in connection with the trading of non-U.S. security ELDS and their underlying securities. Accordingly, the Commission believes that the proposal will extend the benefits associated with ELDS on non-U.S. securities to additional non-U.S. securities and provide market

participants with opportunities to trade a greater number of ELDS on non-U.S. securities without compromising the effectiveness of the Exchange's listing standards for such securities.

Currently, the Primary Market Test allows the Exchange to list options on an ADR in the absence of a comprehensive/effective surveillance sharing agreement with the primary exchange where the non-U.S. security trades if the combined trading volume of the non-U.S. security and other related non-U.S. securities occurring in the U.S. market and permitted markets during the six month period preceding the selection of the ADR for options listing represents (on a share equivalent basis) at least 50% of the combined world-wide trading volume in such securities. The effect of the NYSE's proposal would be to allow this definition of "Relative U.S. ADR Volume" to apply to the listing of ELDS on ADRs. Additionally, the Exchange proposes to include the definition of "Relative U.S. Share Volume" as a conforming change to the ELDS listing standards for non-U.S. securities that trade in the United States as ordinary shares.

The Commission has previously concluded that this standard is consistent with the Act and will continue to ensure that the majority of world-wide trading volume in the non-U.S. security and other related non-U.S. securities occurs in trading markets with which the Exchange has in place a comprehensive/effective surveillance sharing agreement.¹² The existence of such agreements should deter as well as detect manipulations or other abusive trading strategies and also provide an adequate mechanism for obtaining market and trading information from the non-U.S. markets that list the non-U.S. security underlying the Exchange's ELDS in order to adequately investigate any potential abuse or manipulation.¹³

Additionally, the Commission finds that the proposed 20% Test + Daily Trading Volume Standard is consistent with the Act. As noted above, the 20% Test + Daily Trading Volume Standard will allow the Exchange to list ELDS on a non-U.S. security if, over the six month period preceding the date of selection of the non-U.S. security for ELDS trading (1) the combined world-wide trading volume for the non-U.S.

security in the U.S. market represents (on a share equivalent basis) at least 20% of the combined world-wide trading volume in the non-U.S. security and other related non-U.S. securities;¹⁴ (2) the average daily trading volume for the non-U.S. security in the U.S. market is at least 100,000 shares; and (3) the trading volume for the non-U.S. security in the U.S. market is at least 60,000 shares per day for a majority of the trading days.

The Commission believes that these requirements present a reasonable alternative to the Primary Market Test by limiting the actual listing of ELDS on non-U.S. securities to only those non-U.S. securities that have a significant amount of U.S. market trading volume. This will ensure that the U.S. market is sufficiently active to serve as a relevant pricing market for the non-U.S. security and that the underlying foreign security is readily available to meet the delivery requirements upon exercise of the ELDS. Accordingly, the Commission believes that the 20% Test + Daily Trading Volume Standard should help to ensure that the U.S. markets serve a significant role in the price discovery of the applicable non-U.S. security and are generally deep, liquid markets.

Finally, the Exchange believes, for similar reasons, that it is appropriate to reduce the minimum U.S. trading volume requirements for ELDS issuances from 30% to 20%. As noted above, the Commission believes that the 20% Test + Daily Trading Volume Standard will ensure that an underlying non-U.S. security has deep and liquid markets to sustain an ELDS listing. The Commission believes that it is appropriate to adjust the limitations on the size of the ELDS issuance to correspond to this requirement. Accordingly, where the trading volume in the U.S. market for the underlying non-U.S. security is between 20% and 50% of the worldwide trading volume, the issuance will be limited to 2% of the total outstanding shares of the underlying security.¹⁵ The Commission

¹⁴ The Commission notes that the 20% Test + Daily Trading Volume Standard does not include worldwide trading volume in the non-U.S. security that takes place in a foreign market regardless of the existence of a comprehensive surveillance sharing agreement with the listing exchange. The 20% Test is a minimum U.S. market share trading test intended to permit the listing of ELDS only on non-U.S. securities that have active and liquid markets in the U.S.

¹⁵ The Commission notes that if a non-U.S. security and related securities has less than 20% of the worldwide trading volume occurring in the U.S. market during the six month period preceding the date of listing, then the instrument may not be linked to that non-U.S. security under any circumstances. The 20% minimum U.S. trading volume requirement should continue to ensure that

¹² See Securities Exchange Act Release Nos. 36990 (March 20, 1996), 61 FR 13545 (March 27, 1996) (SR-Amex-95-44); 36995 (March 20, 1996), 61 FR 13550 (March 27, 1996) (SR-CBOE-95-71); ad 36994 (March 20, 1996), 61 FR 13553 (March 27, 1996) (SR-NASD-96-01) ("Structured Notes Approval Orders").

¹³ *Id.*

¹¹ 15 U.S.C. 78f(b)(5).

believes that these restrictions will minimize the possibility that trading in such issuances will adversely impact the market for the security to which it is linked.

The Commission notes that other existing ELDS listing requirements relating to the protection of investors will continue to apply. Among other things, these rules set forth issuer standards as well as minimum market capitalization and trading volume requirements that must be met prior to listing an ELDS.¹⁶

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of filing thereof in the Federal Register. In particular, the Exchange's proposal is substantively similar to proposals submitted by the other options exchanges and recently approved by the Commission,¹⁷ and presents no new regulatory issues.

Further, these proposal were published for comment, and no comments were received. Accordingly, the Commission believes it is consistent with section 6(b)(5) of the Act to approve the proposal on an accelerated basis.

The Commission finds good cause for approving Amendment No. 1 to the proposed rule change prior to the thirtieth day after the date of publication of notice of filing thereof in the Federal Register. The Commission believes that in light of the requirements set forth in the 20% Test + Daily Trading Volume Standard, the provisions contained in footnote one to section 703.21 in the NYSE Listed Company Manual, as described above, should no longer be required. Accordingly, the Commission believes it is consistent with section 6(b)(5) of the Act to approve Amendment No. 1 to the proposal on an accelerated basis.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange

the U.S. market is significant enough to accommodate ELDS trading.

¹⁶The Exchange's initial listing standards require, among other things, that the linked stock underlying the Exchange-listed ELDS either: (i) has a minimum market capitalization of \$3 billion and during the 12 months preceding listing is shown to have traded at least 2.5 million shares; (ii) has a minimum market capitalization of \$1.5 billion and during the 12 months preceding listing is shown to have traded at least 10 million shares; or (iii) has a minimum market capitalization of \$500 million and during the 12 months preceding listing is shown to have traded at least 15 million shares. See Securities Exchange Act Release No. 36993 (March 20, 1996), 61 FR 13557 (March 27, 1996).

¹⁷ See Structured Notes Approval Orders, *supra* note 12.

Commission, 450 Fifth Street, NW., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to the File No. SR-NYSE-96-12 and should be submitted by August 1, 1996.

V. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,¹⁸ that the proposed rule change (File No. SR-NYSE-96-12), as amended, is approved on an accelerated basis.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17632 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37395; File No. SR-OCC-96-01]

Self-Regulatory Organizations; The Options Clearing Corporation; Order Approving a Proposed Rule Change Relating to Choice of Law Provisions in Connection With Amendments to Articles 8 and 9 of the Uniform Commercial Code

July 2, 1996.

On January 16, 1996, The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-OCC-96-01) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ Notice of the proposal was published in the Federal Register on March 25, 1996.² No comment letters were received. For the reasons discussed below, the Commission is approving the proposed rule change.

I. Description of the Proposal

In 1994, The American Law Institute and the National Conference of

Commissioners on Uniform State Laws promulgated amendments to Articles 8 and 9 of the UCC ("1994 amendments"). To a significant degree, the 1994 amendments were adopted in response to the views of the Commission and others that the shortcomings in the provisions of the 1977 version of Articles 8 and 9 of the UCC contributed to the liquidity problems associated with the October 1987 stock market decline. The 1994 amendments were intended to reduce legal uncertainty and to facilitate the transfer of ownership of and creation of security interests in securities as well as other financial assets and investment property, including futures and futures options, through a set of rules designed to apply to the modern securities and futures holding systems.

Illinois recently adopted the 1994 amendments. Accordingly, the rule change amends OCC's by-laws, rules, and interpretations to take advantage of the benefits associated with the application of the 1994 amendments to govern most options transactions involving OCC. Previously, OCC's by-laws and rules contained choice of law provisions that selected Delaware as the governing law.³ OCC originally adopted the Delaware choice of law provisions to reinforce the provisions of the 1977 version of the UCC under which OCC options were deemed uncertificated securities. Under the conflict of laws rules in the 1977 version of the UCC, the law of the jurisdiction of incorporation of the issuer of uncertificated securities governs the perfection of security interests therein.

Under the 1994 amendments, OCC will function as a "securities intermediary" rather than an issuer of uncertificated securities. Under the new choice of law provisions in the 1994 amendments, the applicable law will be the law of the securities intermediary's jurisdiction, which may be selected by agreement between the securities intermediary and the entitlement holder (*i.e.*, OCC and its clearing members). In absence of a contrary agreement, OCC believes that Illinois law will apply because under the choice of law rules found in the 1994 amendments, Illinois would be deemed the securities intermediary's jurisdiction.

As discussed above, OCC's present choice of law rules were adopted solely to reinforce the choice of law provisions of the 1977 version of the UCC. However, in light of Illinois' adoption of

¹⁸ 15 U.S.C. 78s(b)(2).

¹ 15 U.S.C. 78s(b)(1) (1988).

² Securities Exchange Act Release No. 36983 (March 18, 1996), 61 FR 12124.

³ Although the 1994 amendments have been adopted in Illinois, they have not been adopted in many other jurisdictions, including Delaware, the state of OCC's incorporation.

the 1994 amendments, the rule change will replace those provisions with Illinois choice of law provisions and makes certain other changes intended to link the terminology of OCC's by-laws and rules with the terminology of the 1994 amendments.

Notwithstanding the adoption of the Illinois choice of law provisions, situations can arise in which the 1977 version of the UCC will be applicable. This could occur if UCC issues develop in a jurisdiction that has not yet adopted the 1994 amendments and if a tribunal in that jurisdiction applies its own choice of law rules. The choice of law provisions in the 1977 version of the UCC are mandatory and cannot be altered by agreement. Therefore, OCC's new choice of law rules would likely be unenforceable and therefore Delaware law would be controlling. Because this possibility exists, OCC will retain the provisions in its by-laws and rules that were deemed necessary or desirable to manage instances when Delaware law is applied to options transactions.⁴

To accommodate Illinois' adoption of the 1994 amendments, OCC has made the following specific changes in its by-laws and rules. The terms "lien" and "pledge" are now defined in Article I, Section 1 of OCC's by-laws to make it clear that these terms refer to a security interest within the meaning of the 1994 amendments.⁵ Section 1-201(37) of the UCC defines "security interest" broadly but without reference to such common law concepts as lien and pledge, which are subsumed within the amended definition of security interest.

The definition of "rules" set forth in Article 1, Section 1 now makes it clear that for purposes of Articles 8 and 9 the term "rules of a clearing agency" as applied to OCC will mean anything deemed to be a rule of a clearing agency under the Act. This is because Section 8-111 of the 1994 amendments in effect provides that a rule adopted by a clearing corporation supersedes contrary provisions of the UCC.

The basic choice of law provision applicable to option holders and writers

⁴ OCC's by-laws and rules previously contained interpretations to alert clearing members and others that Delaware law will not always govern notwithstanding the choice of law provisions. These interpretations have been adapted to reflect the choice of law change from Delaware law to Illinois law in OCC's by-laws. The effect of this change will be to alert clearing members and others that now Illinois law, instead of Delaware law, may not always govern despite the choice of law provisions contained in OCC's by-laws.

⁵ Even though the likelihood of misinterpretation on this point may be remote, the addition of these definitions is prudent because the terms lien and pledge no longer appear in the provisions of UCC Articles 8 and 9 under the 1994 amendments that are applicable to OCC.

with respect to cleared securities set forth in Article VI, Section 9(c)(1) of OCC's by-laws now contains statements indicating how revised Articles 8 and 9 will apply to OCC and its clearing members with regard to ownership of and security interests in cleared securities. These statements are not intended to alter the substantive operation of Articles 8 and 9 but are intended merely to provide a guide to proper interpretation of Articles 8 and 9. However, because UCC Section 8-111 permits OCC to supersede provisions of the UCC with its own rules, Section 9(c)(1) now deems all cleared securities to be financial assets without regard to whether a particular cleared security constitutes a similar obligation to an option. Determination of whether a cleared security is a similar obligation to an option is required under the definition of financial asset set forth in Section 8-102 of the 1994 amendments. Subparagraph 2 of Section 9(c), which essentially is the prior OCC choice of law provision, will remain in place to cover situations where the 1977 version of the UCC is applicable.

OCC Rule 610(g), which involves the use of depository receipts and electronic confirmations in connection with specific or bulk deposits made to OCC in lieu margin payments, no longer requires that in certain circumstances a depository must acknowledge that securities transfers or pledges were effected through book-entry.⁶ This requirement arose because in order to effect a securities pledge and the corresponding perfection of a security interest therein or to deposit securities in favor of OCC, the 1977 version of Article 8 required that the pledgor or depositor "transfer" the security to the pledgee (*i.e.*, OCC). In order to effect this transfer, Section 8-313 of the 1977 version of the UCC required an acknowledgement by the securities depository if the securities were delivered by book-entry. Under the 1994 amendments, a transfer pursuant to Section 8-313 is no longer required to effect a securities deposit or pledge.⁷ Under Sections 8-106 and 9-115 of the

⁶ OCC originally proposed to amend Rule 610(g) in a prior proposed rule filing (File No. SR-OCC-95-17). Subsequently, OCC proposed that Rule 610(g) be amended in the proposed rule change associated with this order. Because approval of SR-OCC-95-17 is still pending with the Commission, the amendments to Rule 610(g) are approved pursuant to this order, and OCC will amend SR-OCC-95-17 to reflect that the changes made to this rule have been approved by this order.

⁷ In fact, the entire concept of a transfer requirement in connection with a securities pledge or deposit previously embodied in Section 8-313 of the 1977 version of the UCC has been removed from the 1994 amendments.

1994 amendments, a securities deposit or pledge with the corresponding perfection of a security interest therein is effected once the transferee or pledgee (*i.e.*, OCC) obtains control over the securities. Therefore, depository acknowledgement no longer is required in connection with securities deposits or pledges in favor of OCC involving book-entry delivery of securities.

Finally, OCC Rule 614(m) concerning OCC's obligations to pledgees under OCC's pledge program is revised to make clear that certain provisions of this rule which relate to the 1977 version of Articles 8 and 9 will apply only if the 1977 version of the UCC is otherwise applicable.

II. Discussion

Section 17A(b)(3)(F) of the Act⁸ requires that the rules of a clearing agency be designed to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. The Commission believes the proposed rule change is consistent with OCC's obligations under the Act because it should help to reduce the legal uncertainty associated with the creation of ownership and security interests in options and other securities under Articles 8 and 9 of the UCC. Furthermore, the rule change should help to ensure that OCC's by-laws, rules, and interpretations reflect the concepts embodied in the 1994 amendments.

The evolution of modern securities and futures processing and holding systems have in some respects made obsolete previous versions of the UCC.⁹ In certain instances, application of prior versions of the UCC in the options context has led to some industry confusion and in at least one instance required OCC to file a proposed rule change to assure the proper legal interpretation of certain conflicts of laws issues arising in options transactions.¹⁰ The provisions of the

⁸ 15 U.S.C. 78q-1(b)(3)(F) (1988).

⁹ U.C.C. Article 8 (1994 Revision) prefatory note (1995).

¹⁰ Under the pre-1997 UCC, OCC believed that options could be deemed general intangibles which would require the law of the jurisdiction of the debtor's location to govern the creation and perfection of security interests. Under the 1977 amendments to the UCC, options were deemed uncertificated securities in which case the law of the jurisdiction of the issuer's organization would govern. In an attempt to correct the *renvoi* issue caused by the omission of transitional provisions in the 1977 amendments to the UCC, OCC revised its rules and bylaws to designate Delaware law (OCC's state of incorporation), including its conflict of laws rules, to apply to the creation and perfection of security interests in connection with options transactions to the full extent possible. Securities Exchange Act Release No. 20521 (December 30,

1994 amendments provide a solution to many of these problems.

Specifically, the rule change should expedite the eligibility process for OCC clearing members seeking to participate in cross-margining by expediting the creation and perfection of security interests associated with such cross-margining.¹¹ Although the Commission notes that the 1994 amendments may not apply to options transactions in all circumstances because certain states have yet to adopt these provisions, in situations where the 1994 amendments do apply, the 1994 amendments should provide a safer and more appropriate framework, given the special characteristics of options, for the transferring, pledging, and holding of such securities and for such securities deposited at OCC for margin and clearing fund purposes.

III. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-OCC-96-01) be, and hereby is, approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹²

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17634 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

1983), 49 FR 968 [File No. SR-OCC-83-20] (ordering approving proposed rule change).

¹¹ Currently, there is a two to three week delay before OCC members that also are members of the Chicago Mercantile Exchange ("CME") or the Kansas City Board of Trade ("KCBOT") ("joint members") are eligible to participate in the cross-margining arrangements OCC has with CME and KCBOT. Prior to participation in these cross-margining arrangements, OCC requires that security interests be created and perfected in securities held by the joint member prior to such member's eligibility as a cross-margining participant. Under the 1977 version of the UCC, one way to perfect a security interest in securities requires the filing of the appropriate financing statements. Filing of the appropriate financing statements and confirmation thereof typically can take from two to three weeks. However, under the 1994 amendments, OCC believes that financing statements no longer will be necessary for perfection purposes. As a result, joint members can become cross-margining participants in a matter of days instead of weeks. Telephone conversation between Michael G. Vitek, Staff Counsel, OCC, and Mark Steffensen, Attorney, Division of Market Regulation, Commission (February 12, 1996).

¹² 17 CFR 200.30-3(a)(12) (1995).

[Release No. 34-37402; File No. SR-PTC-96-03]

Self-Regulatory Organizations; The Participants Trust Company; Notice of Filing of Proposed Rule Change Relating to the Intraday Return of Participants' Prefunding Payments

July 2, 1996.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on June 3, 1996, the Participants Trust Company ("PTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-PTC-96-03) as described in Items I, II, and III below, which Items have been prepared primarily by PTC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change will amend Article V, Rule 2, Section 5 of PTC's rules and will establish initial procedures to permit the intraday return of participants' prefunding payments.

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

In its filing with the Commission, PTC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. PTC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the proposed rule change is to amend Article V, Rule 2, Section 5 of PTC's rules and to establish initial procedures to enable PTC to implement a program to permit the intraday return of participants' prefunding payments received early in the day that are no longer needed to support transaction processing at PTC. Currently, prefunding must be applied to that day's settlement or withdrawn on the next business day or thereafter. The

proposed program is intended to make these funds available to participants intraday to enable them to reduce daylight overdraft exposures or to ease liquidity pressures in other financial markets thereby promoting the more efficient functioning of the financial markets in general.

"Optional deposits," which include prefunding, are defined in PTC's rules as "a participant's voluntary deposits to the participants fund with respect to any master account pursuant to Section 3 of Rule 2 of Article V." Article V, Rule 2, Section 3 states that participants may elect or be required to make optional deposits to the participants fund to (i) provide supplemental processing collateral to increase a participant's net free equity ("NFE"); (ii) prefund a debit balance in a participant's account; or (iii) permit free retransfers of securities from a transfer account.

PTC believes that the return to its participants of prefunding payments which are no longer needed to support transaction processing will increase the amount of funds available to participants during the day. PTC also believes that by providing its participants with the opportunity to manage their overall funding requirements, participant liquidity will be enhanced and costs will be reduced.

In many circumstances, the amounts returned to participants under the proposed program could be required to fund PTC net debits later in the day. Participants will be required to make such payments to PTC which otherwise could have been covered by the prefunding payments. However, PTC believes that the benefits derived from providing participants with increased intraday liquidity outweigh PTC's advantage in retaining the prefunding after the situation requiring such deposit has been remedied.

PTC proposes to implement the intraday return of prefunding payments to participants as a pilot program with initial procedures that will be incorporated into PTC's Participant's Operating Guide upon approval of the proposed rule change.³ The initial procedures will provide that (i) all prefunding return transactions will be subject to PTC's standard credit controls (*i.e.*, prefunding may be returned only if the participant will be within its NFE and net debit monitoring level

³ Upon implementation of the program, PTC plans to evaluate the initial procedures on a quarterly basis and will make changes to such procedures as necessary based upon PTC's experience with the program. PTC will be required to file with the Commission a proposed rule change prior to any change or modification of the initial procedures.

¹ 15 U.S.C. 78s(b)(1) (1988).

² The Commission has modified the text of the summaries prepared by PTC.

requirements after such prefunding is returned); (ii) only prefunding payments received by PTC between 8:30 a.m. and 11:00 a.m. E.S.T. will be eligible for intraday return; (iii) during the initial stage of the pilot program, only eighty percent of qualifying prefunding payments will be eligible for intraday return to minimize the risk that subsequent transactions will fail PTC's credit controls later in the processing day; (iv) participants will be allowed only one intraday return per day; (v) the minimum amount eligible for intraday return is \$10 million; and (vi) all intraday returns are expected to be made by PTC between 11:00 a.m. and 12:00 p.m. E.S.T.

PTC believes that the proposed rule change is consistent with section 17A(b)(3)(F) of the Act⁴ and the rules and regulations thereunder because it will facilitate the prompt and accurate clearance and settlement of securities transactions.

(B) Self-Regulatory Organization's Statement on Burden on Competition

PTC does not perceive that the proposed rule change will impose any burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

PTC has not solicited and does not intend to solicit comments on the proposed rule change. PTC has not received any unsolicited written comments from its participants or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which PTC consents, the Commission will:

(A) By order approve such proposed rule change or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submission should file six copies thereof with the

Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington D.C. 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filings will also be available for inspection and copying at the principal office of PTC. All submissions should refer to the file number. SR-PTC-96-03 and should be submitted by August 1, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁵

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17633 Filed 7-10-96; 8:45 am]

BILLING CODE 8010-01-M

SOCIAL SECURITY ADMINISTRATION

Statement of Organization, Functions and Delegations of Authority

This statement amends Part S of the Statement of the Organization, Functions and Delegations of Authority which covers the Social Security Administration (SSA). Notice is given that Chapter S8 for the Office of the Inspector General is being amended to reflect internal organizational realignments within the Office of the Inspector General (OIG) (S8A). The Office of Audits (OA) (S8C) will be retitled the Office of Audit (OA) (S8C) throughout Chapter S8. The Office of Evaluations and Inspections (OEI) (S8E) will be abolished and the functions integrated into the Office of Audit (OA) (S8C). Two new offices, the Office of Management Services (S8G) and the Office of the Counsel to the Inspector General (S8H), and their corresponding subchapters will be established. A subordinate divisional structure will be established for the following two main offices: the Office of Investigations and the Office of Audit. The changes are as follows:

Section S8.00 The Office of the Inspector General—(Mission)

Amend to read as follows:
The Office of the Inspector General (OIG) is directly responsible for meeting the statutory mission of promoting the economy, efficiency and effectiveness in SSA programs and operations by reducing the incidence of fraud, waste, abuse and mismanagement. To accomplish this mission, the OIG directs, conducts and supervises a comprehensive program of audits, evaluations and investigations, relating to SSA's programs and operations. The OIG also searches for systemic weaknesses in SSA programs and operations and makes recommendations for needed improvements.

Section S8.10 The Office of the Inspector General—(Organization)

Retitle throughout Chapter S8:
E. The Office of Audits (S8C) to The Office of Audit (S8C)

Delete:

F. The Office of Evaluations and Inspections (S8E)

Add:

F. The Office of Management Services (S8G)

G. The Office of the Counsel to the Inspector General (S8H)

Section S8.20 The Office of the Inspector General—(Functions)

Add as last sentence:
B. Also, is responsible for the Executive Secretariat function.

Amend to read as follows:

C. The Immediate Office of the Inspector General (S8A) provides the Inspector General and Deputy Inspector General with staff assistance on the full range of their responsibilities.

D. The Office of Investigations (OI) (S8B) conducts and coordinates investigative activity related to fraud, waste, abuse and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, grantees, or contractors, or by SSA employees in the performance of their official duties. Serves as the OIG liaison to the Department of Justice on all matters relating to investigations of SSA programs and personnel, and reports to the Attorney General when the OIG has reason to believe Federal criminal law has been violated. The OI works with other investigative agencies and organizations on special projects and assignments. In support of its mission, the OI carries out and maintains an internal quality assurance system.

E. The Office of Audit (OA) (S8C) provides audit policy direction for, and

⁴ 15 U.S.C. 78q-1(b)(3)(F) (1988).

⁵ 17 CFR 200.30-3(a)(12) (1995).

conducts and oversees comprehensive audits and evaluations of SSA programs, operations, grantees and contractors, following generally accepted Government auditing standards. The OA maintains an internal quality assurance system, including periodic quality assessment studies and quality control reviews, to provide reasonable assurance that applicable laws, regulations, policies, procedures, standards and other requirements are followed in all audit activities performed by, or on behalf of, SSA.

Delete:

F. In its entirety.

Add:

F. The Office of Management Services (OMS) (S8G) provides staff assistance to the Inspector General and Deputy Inspector General. Working with the Counsel to the Inspector General, OMS conducts and coordinates OIG reviews of existing and proposed legislation and regulations related to SSA programs and operations to identify their impact on economy and efficiency, and their potential for fraud and abuse. Serves as the OIG contact for the press and electronic media and as the OIG Congressional liaison. Coordinates the development of the OIG long-range strategic plan and the OIG annual work plan. Compiles the Semiannual Report to the Congress. Formulates and assists the IG with the execution of the OIG budget and confers with the Office of the Commissioner, the Office of Management and Budget, and the Congress on budget matters. Conducts management analyses and establishes and coordinates general management policies of the OIG. Serves as the OIG liaison on personnel management and other administrative and management policies and practices, as well as on equal employment opportunity and civil rights matters.

G. The Office of the Counsel to the Inspector General (OCIG) (S8H) provides independent authoritative legal advice, guidance and counsel to the IG and senior staff on legal issues; regulatory strategy; legislative proposals; and integration and interpretation of new and emerging authorities and Agency responsibilities under anticipated and current regulatory authorities. The OCIG provides advice on the legal issues being deliberated concerning relevant regulatory and procedural information and reviews documents and other materials to ensure sufficiency and compliance with regulatory requirements. The OCIG is responsible for the implementation of the Civil Monetary Penalty (CMP) program, including imposition of penalties and

assessments and the settlement and litigation of CMP cases. The OCIG is also responsible for the coordination and drafting of regulatory commentary.

Section S8B.00 The Office of Investigations—(Mission)

Amend to read as follows:

The Office of Investigations (OI) (S8B) conducts and coordinates investigative activity related to fraud, waste, abuse and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, grantees, or contractors, or by SSA employees in the performance of their official duties. Serves as the OIG liaison to the Department of Justice on all matters relating to investigations of SSA programs and personnel and reports to the Attorney General when the OIG has reason to believe Federal criminal law has been violated. The OI works with other investigative agencies and organizations on special projects and assignments. In support of its mission, the OI carries out and maintains an internal quality assurance system.

Section S8B.10 The Office of Investigations—(Organization)

Reletter:

“B” to “C.”

Amend to read as follows:

C. The Immediate Office of the Assistant Inspector General for Investigations (S8B).

Add:

B. The Deputy Assistant Inspector General for Investigations (S8B).

D. The Special Operations Division (SOD) (S8BA).

E. The Headquarters Operations Division (HOD) (S8BB).

Section S8B.20 The Office of Investigations—(Functions)

Delete:

B.17.

Reletter:

“B” to “C.”

Amend to read as follows:

C. The Immediate Office of the Assistant Inspector General for Investigations (S8B) provides the Assistant Inspector General and Deputy Assistant Inspector General with staff assistance on the full range of their responsibilities.

Add:

B. The Deputy Assistant Inspector General for Investigations (S8B) assists the Assistant Inspector General in carrying out his/her responsibilities. Directs and coordinates the investigative field offices which conduct OI investigative operations and programs in the United States and in foreign

countries. Performs other duties as the Assistant Inspector General may prescribe.

D. The Special Operations Division (SOD) (S8BA) is responsible for the research, development and implementation of new investigative initiatives, techniques and operations in order to provide a proactive response to SSA fraud.

1. The division identifies systemic and programmatic vulnerabilities in SSA's operations and makes recommendations for changes to the appropriate official.

2. The division leads outreach activities to State and local investigative agencies.

3. The division provides pertinent information from SSA records to assist Federal, State and local investigative agencies to detect, investigate and prosecute fraud.

E. The Headquarters Operations Division (HOD) (S8BB) is responsible for the administration, training, policy development and oversight, including implementation and compliance within the OI.

1. The division manages the operation of the SSA, OIG Hotline to receive complaints and allegations of fraud, waste and abuse; and to refer the information for investigation, audit, program review or other appropriate action. Coordinates with the General Accounting Office Hotline and hotlines from other agencies.

2. The division is responsible for the preparation of periodic OI reports and the quality assurance of investigative operations and products.

3. The division develops general management policy for OI; coordinates general management processes; develops and issues instructional media on wrongdoing, and on investigating and processing cases; and plans, develops, implements and evaluates all levels of employee training in OI.

Section S8C.00 The Office of Audit—(Mission)

Amend to read as follows:

The Office of Audit (OA) (S8C) provides audit policy direction for conducts and oversees comprehensive audits and evaluations of SSA programs, operations, grantees and contractors, following generally accepted Government auditing standards. The OA maintains an internal quality assurance system, including periodic quality assessment studies and quality control reviews, to provide reasonable assurance that applicable laws, regulations, policies, procedures, standards and other requirements are

followed in all audit activities performed by, or on behalf of, SSA.

Section S8C.10 The Office of Audit—(Organization)

Reletter:
“B” to “C.”

Amend to read as follows:

C. The Immediate Office of the Assistant Inspector General for Audit (S8C).

Add:

B. The Deputy Assistant Inspector General for Audit (S8B)

D. The Central Operations Division (COD) (S8CA).

E. The Evaluations and Technical Services Division (ETSD) (S8CB).

F. The Program Audits Division (PAD) (S8CC).

Section S8C.20 The Office of Audit—(Functions)

Reletter:
“B” to “C.”

Amend to read as follows:

C. The Immediate Office of the Assistant Inspector General for Audit (S8C) includes policy, planning and reporting and provides the Assistant Inspector General with staff assistance on the full range of his/her responsibilities.

1. Develops audit policy, procedures, standards, criteria and instructions for all audit activities performed by, or on behalf of, or conforming with SSA programs, grants, contracts of operations, complying with generally accepted Government auditing standards and other legal, regulatory and administrative requirements.

2. Develops policy and procedure for an internal quality assurance system to provide reasonable assurance that applicable laws, regulations, procedures, standards and other requirements are followed in all audit activities performed by, or on behalf of, SSA.

3. Conducts quality assurance studies to ensure that the policies and procedures are implemented by each OA component and are functioning as intended.

4. Develops and monitors audit work plans; and tracks, monitors, and reports on audit resolution.

Add:

B. The Deputy Assistant Inspector General for Audit (S8C) assists the Assistant Inspector General in carrying out his/her responsibilities.

D. The Central Operations Division (COD) (S8CA) plans, conducts, oversees and reports on the results of audits on the following areas: Centralized Automated Data Processing; Operation Financial Management; and General Management Areas which include grant and contract operations, facilities management, personnel and payroll.

E. The Evaluations and Technical Services Division (ETSD) (S8CB) plans, conducts, oversees and reports on the results of special studies of SSA's operations.

1. The division performs and reports on the results of reviews of SSA's customer service.

2. The division plans, develops and coordinates advanced techniques to carry out OA's functions. Such techniques include statistical sampling, specialized data extraction and analysis, computer programming and automated data processing auditing.

3. The division develops and maintains the OA Management Information System.

F. The Program Audits Division (PAD) (S8CC) plans, conducts, oversees and reports on the results of the Retirement, Survivors and Disability Insurance Program; the Supplemental Security Income Program; and the Black Lung Insurance Program. Specific program audit responsibilities include: Enumeration; Retirement, Survivors and Disability Insurance Initial Claims; Earnings Operations; Supplemental Security Income Initial Claims; Field Office Operations; Service to Aliens; Hearings and Appeals; Retirement, Survivors and Disability Insurance Post-Entitlement Operations; Disability Determination Services; Supplemental Security Income Post-Entitlement Operations; and Representative Payees.

Add Subchapter:

Subchapter S8G

Office of Management Services

S8G.00 Mission

S8G.10 Organization

S8G.20 Functions

Section S8G.00 The Office of Management Services—(Mission) The Office of Management Services (OMS) (S8G) provides staff assistance to the Inspector General and Deputy Inspector General. Working with the Counsel to the Inspector General, OMS conducts and coordinates OIG reviews of existing and proposed legislation and regulations related to SSA programs and operations to identify their impact on economy and efficiency and their potential for fraud and abuse. Serves as the OIG contact for the press and electronic media and as the OIG Congressional liaison. Coordinates the development of the OIG long-range strategic plan and the OIG annual work plan. Compiles the Semiannual Report to the Congress. Formulates and assists the IG with the execution of the OIG budget and confers with the Office of the Commissioner, the Office of Management and Budget, and the Congress on budget matters. Conducts management analyses, and establishes and coordinates general management policies of the OIG. Serves as the OIG liaison on personnel management and other administrative and management policies and practices, as well as on equal employment opportunity and civil rights matters.

Section S8G.10 The Office of Management Services—(Organization)

The Office of Management Services (S8G) under the leadership of the Assistant Inspector General for Management Services, includes:

A. The Assistant Inspector General for Management Services (S8G).

B. The Deputy Assistant Inspector General for Management Services (S8G).

C. The Immediate Office of the Assistant Inspector General for Management Services (S8G).

Section S8G.20 The Office of Management Services—(Functions)

A. The Assistant Inspector General for Management Services (S8G) is directly responsible to the Inspector General for carrying out the OMS mission and providing general supervision to the major components of OMS.

B. The Deputy Assistant Inspector General for Management Services (S8G) assists the Assistant Inspector General in carrying out his/her responsibilities.

C. The Immediate Office of the Assistant Inspector General for

Management Services (S8G) provides the Assistant Inspector General and Deputy Assistant Inspector General with staff assistance on the full range of their responsibilities.

Add Subchapter:

Subchapter S8H

Office of the Counsel to the Inspector General

S8H.00 Mission

S8H.10 Organization

S8H.20 Functions

Section S8H.00 The Office of the Counsel to the Inspector General—(Mission)

The Office of the Counsel to the Inspector General (OCIG) (S8H) provides independent authoritative legal advice, guidance and counsel to the IG and senior staff on legal issues; regulatory strategy; legislative proposals; and integration and interpretation of new and emerging authorities and Agency responsibilities under anticipated and current regulatory authorities. The OCIG provides advice on the legal issues being deliberated concerning relevant regulatory and procedural information and reviews documents and other materials to ensure sufficiency and compliance with regulatory requirements. The OCIG is responsible for the implementation of the Civil Monetary Penalty (CMP) program, including imposition of penalties and assessments, and the settlement and litigation of CMP cases. The OCIG is also responsible for the coordination and drafting of regulatory commentary.

Section S8H.10 The Office of the Counsel to the Inspector General—(Organization)

The Office of the Counsel to the Inspector General (OCIG) (S8H) under the leadership of the Counsel to the Inspector General, includes:

A. Counsel to the Inspector General (S8H).

B. The Immediate Office of the Counsel to the Inspector General (S8H).

Section S8H.20 The Office of the Counsel to the Inspector General—(Functions)

A. The Counsel to the Inspector General (S8H) is directly responsible to the Inspector General for providing authoritative legal advice concerning legal and regulatory strategy; legislative proposals; program authority and responsibilities; and the content of applicable statutes, regulations, rulings, administrative decisions and judicial precedents in all matters relating to

audits and investigations of Agency programs and the CMP program.

B. The Immediate Office of the Counsel to the Inspector General (S8H) provides staff assistance to the Counsel in support of the full range of his/her responsibilities.

1. The office implements the CMP program.

2. The office formulates CMP regulations and develops operating policies and procedures.

3. The office conducts or directs research involving controversial legal questions, issues, problems and complex cases concerning the interpretation, application and enforcement of Agency statutes, rules and regulations.

4. The office reviews, evaluates and analyzes factual and legal issues and materials resulting from hearings, court actions and other proceedings.

5. The office reviews proposed legislation, regulations, policies and procedures to identify vulnerabilities and recommend modifications, where appropriate.

6. The office reviews OIG files and records in response to Privacy and Freedom of Information Act requests.

7. The office provides legal advice to officials and employees regarding ethics and standards of conduct matters. Coordinates the OIG's confidential reporting system reporting on financial interests and outside activities.

8. The office imposes, settles and litigates CMP cases brought under sections 1129 and 1140 of the Social Security Act.

9. The office coordinates and drafts regulatory commentary.

Dated: June 23, 1996.

David C. Williams,

Inspector General, Social Security Administration.

[FR Doc. 96-17649 Filed 7-10-96; 8:45 am]

BILLING CODE 4190-29-P

STATE JUSTICE INSTITUTE

Sunshine Act Meeting

TIME AND DATE: Sunday, July 28, 1996, 9 a.m.-5 p.m.; Monday, July 29, 1996, 9 a.m.-12 p.m.

PLACE: Opryland Hotel, 2800 Opryland Drive, Nashville, TN 37214.

MATTERS TO BE CONSIDERED: FY 1996 grant requests and internal Institute business.

PORTIONS OPEN TO THE PUBLIC: All matters other than those noted as closed below.

PORTIONS CLOSED TO THE PUBLIC: Internal personnel matters; Board committee meetings.

CONTACT PERSON FOR MORE INFORMATION: David I. Tevelin, Executive Director, State Justice Institute, 1650 King Street, Suite 600, Alexandria, VA 22314, (703)-684-6100.

David I. Tevelin,

Executive Director.

[FR Doc. 96-17755 Filed 7-9-96; 11:29 am]

BILLING CODE 6820-SC-M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Agricultural Policy Advisory Committee for Trade; Meeting

AGENCY: Office of the United States Trade Representative.

ACTION: Notice that the Agricultural Policy Advisory Committee for Trade will hold meetings during the period beginning July 15, 1996 through November 30, 1996. These meetings will be closed to the public.

SUMMARY: The Agricultural Policy Advisory Committee of Trade will hold meetings beginning July 15, 1996 through November 30, 1996. The meetings will include a review and discussion of current issues which influence U.S. agricultural trade policy that include, but are not limited to, issues concerning WTO accession negotiations with various countries; U.S./Mexico bilateral agricultural trade issues; U.S./Canada bilateral agricultural trade issues; Chile NAFTA accession negotiations; international sanitary and phytosanitary barriers to trade; implementation of USDA's Long-term Agricultural Trade Strategy, and WTO Uruguay Round Agreement implementation issues. Pursuant to section 2155(f)(2) of title 19 of the United States Code, the U.S. Trade Representative has determined that these meetings will be concerned solely with matters the disclosure of which would seriously compromise the development by the United States Government of trade policy priorities, negotiating objectives, and bargaining positions. Accordingly, these meetings will be closed to the public.

DATES: The meetings are scheduled beginning July 15, 1996 through November 30, 1996, unless otherwise notified.

ADDRESSES: The meetings will be held at the U.S. Department of Agriculture, 14th & Independence Avenue, S.W., Washington, D.C. 20250, unless otherwise notified.

FOR FURTHER INFORMATION CONTACT: Clayton Parker, Director of Intergovernmental Affairs, Office of the

United States Trade Representative, (202) 395-6120 or John Winski, Joint Executive Secretary, Agricultural Policy Advisory Committee for Trade, Foreign Agricultural Service, U.S. Department of Agriculture, at (202) 720-6829.

Charlene Barshefsky,

Acting United States Trade Representative.

[FR Doc. 96-17428 Filed 7-10-96; 8:45 am]

BILLING CODE 3410-10-M

Trade Policy Staff Committee: Request for Comments Concerning Basic Telecommunications Services Negotiations Under World Trade Organization's General Agreement on Trade in Services

ACTION: Notice and request for comments.

SUMMARY: The Office of the U.S. Trade Representative (USTR) is soliciting a second round of public comments on the requests made to U.S. negotiating partners in the Group of Basic Telecommunications (GBT) of the General Agreement on Trade in Services (GATS). The GATS is one of the Uruguay Round agreements administered by the World Trade Organization. Interested persons are invited to submit their comments on market-opening commitments that should be sought in the basic telecommunications services sector by August 1, 1996.

FOR FURTHER INFORMATION CONTACT: William Corbett, Office of Services, Investment and Intellectual Property, Office of the United States Trade Representative, at (202) 395-4510 or Laura B. Sherman, Office of the General Counsel, Office of the United States Trade Representative, at (202) 395-3150.

SUPPLEMENTARY INFORMATION: The Group on Basic Telecommunications (GBT) was created in April 1996 by a Decision on Commitments on Basic Telecommunications of the WTO Council on Trade in Services. It is the successor to the Negotiating Group on Basic Telecommunications (NGBT), which was created in April 1994 by a Marrakesh Ministerial Decision with a mandate to conclude talks by April 30, 1996. The New group's charge is to continue negotiations on liberalization of trade in telecommunications transport networks and services within the framework of the General Agreement on Trade in Services. The Decision set the date for entry into force of a prospective agreement as January 1, 1998 and established the period of

January 15 through February 15, 1997 during which current negotiating offers could be modified or supplemented and MFN exceptions could be taken.

These arrangements, sought by the United States, effectively extended the life of negotiations to obtain more and better offers and thereby the critical mass necessary for the United States to maintain its offer.

The United States is in the process of refining requests for market-opening commitments from other countries participating in the GBT. These requests must be submitted by the end of September 1996. A list of countries participating in and observing the GBT is attached.

The United States objective in the negotiations is to obtain levels of openness in the telecom markets of other participants equivalent to the level in the United States. Interested persons are invited to submit their comments on commitments the United States should seek in wire or wireless communications, satellite systems, regulatory schemes, interconnection issues, foreign ownership restrictions, and competition safeguards, among other things.

Comments should be filed no later than August 1, 1996. Comments must be in English and provided in twenty copies to Mr. William Corbett, Office of Services, Investment and Intellectual Property, Office of the United States Trade Representative, Room 301, 600 17th Street, Washington D.C. 20508. Non-confidential information received will be available for public inspection by appointment, in the USTR Reading Room, Room 101, Monday through Friday, 10:00 a.m. to 12:00 noon and 1:00 p.m. to 4:00 p.m. For an appointment call Brenda Webb on 202-395-6186. Business confidential information will be subject to the requirements of 15 CFR § 2003.6. Any business confidential material must be clearly marked as such on the cover letter or page and each succeeding page, and must be accompanied by a non-confidential summary thereof.

Frederick L. Montgomery,
Chairman, Trade Policy Staff Committee.

WTO Group on Basic Telecommunications

Participants in the NGBT

Argentina
Australia
Barbados*
Brazil
Canada
Chile
Colombia
Cote d'Ivoire
Cuba*

Cyprus*
Czech Republic
Dominican Republic
Ecuador
Egypt*
European Union
Austria
Belgium
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Luxembourg
Netherlands
Portugal
Spain
Sweden
United Kingdom
Hong Kong
Hungary
Iceland
India
Israel
Japan
Korea
Mauritius
Mexico
Morocco
New Zealand
Norway
Pakistan
Peru
Philippines
Poland
Singapore
Slovak Republic
Switzerland
Thailand
Tunisia*
Turkey
United States
Venezuela

Observes in the NGBT

Bolivia
Brunei
Bulgaria
China
Chinese Taipei
Costa Rica
El Salvador
Guatemala
Honduras
Indonesia
Ivory Coast
Jamaica
Latvia
Madagascar
Malaysia
Myanmar
Nicaragua
Pakistan
Panama
Romania
Russian Federation
Slovenia
South Africa
Trinidad & Tobago
United Arab Emirates
Uruguay

Participants making offers = 48 governments

(*) Participants not making offers = 4
governments
[FR Doc. 96-17661 Filed 7-10-96; 8:45 am]
BILLING CODE 3190-01-M

DEPARTMENT OF THE TREASURY**Treasury Advisory Committee on
Commercial Operations of the U.S.
Customs Service**

AGENCY: Departmental Offices, Treasury.
ACTION: Notice of meeting.

SUMMARY: This notice announces the date of the next meeting and the agenda for consideration by the Treasury Advisory Committee on Commercial Operations of the U.S. Customs Service.

DATES: The next meeting of the Treasury Advisory Committee on Commercial Operations of the U.S. Customs Service will be held on July 26, 1996 in Washington, D.C. The session will be held from 9:30 a.m.-12:30 p.m. Due to

the fire that occurred in the Main Treasury Building on June 26, 1996, the usual meeting room will not be available. The meeting will be held at a separate suitable government or private facility, accessible to the public, within 10 or 15 minutes of Treasury by public transportation. The location can be ascertained by calling the information number, a week prior to the meeting.

FOR FURTHER INFORMATION CONTACT:

Dennis M. O'Connell, Director, Office of Tariff and Trade Affairs, Office of the Under Secretary (Enforcement), Room 4004, 1500 Pennsylvania Avenue, NW., Washington, DC 20220. Tel. (202) 622-0220.

SUPPLEMENTARY INFORMATION: The provisional agenda to be considered at the meeting is as follows:

1. Developments in Line Release on the Southwest border.
2. North American Trade Automation Prototyp (NATAP).

3. Compliance and enforcement issues and challenges particular to the courier industry.

4. Update on implementation of the Customs Modernization Act.

The provisional agenda may be amended prior to the meeting. The Committee, in its discretion, may take up other matters, time permitting.

The meeting is open to the public. However, participation in the discussion is limited to Committee members and Treasury and Customs staff. It is necessary for any person other than an Advisory Committee member who wishes to attend the meeting to give notice by contacting Ms. Theresa Manning no later than July 19, 1996 at 202-622-0220.

Dated: July 8, 1996.
John P. Simpson,
Deputy Assistant Secretary (Regulatory, Tariff and Trade Enforcement).

[FR Doc. 96-17659 Filed 7-10-96; 8:45 am]
BILLING CODE 4810-25-M

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

DEPARTMENT OF DEFENSE

Department of the Army

Notice of Intent to Prepare an Environmental Assessment (EA) for Disposal of Property at the Defense Personnel Support Center (DPSC), Philadelphia, PA

Correction

In notice document 96-16809 appearing on page 34424 in the issue of Tuesday, July 2, 1996, make the following correction:

On page 34424, in the second column, in the second paragraph, in the fourth line "not" should read "now".

BILLING CODE 1505-01-D

DEPARTMENT OF ENERGY

Disposition of Surplus Highly Enriched Uranium Final Environmental Impact Statement

Correction

In notice document 96-16565 beginning on page 33719 in the issue of Friday, June 28, 1996, make the following correction:

On page 33719, in the third column, under **DATES:**, in the sixth line, "July 29, 1996" should read "July 15, 1996".

BILLING CODE 1505-01-D

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Parts 10 and 15

2115-AF23

Licensing and Manning for Officers of Towing Vessels

Correction

In proposed rule document 96-15346 beginning on page 31332 in the issue of Wednesday, June 19, 1996 make the following corrections:

1. On page 31335, in the second column, in the last paragraph, seven lines down "lower-trade" should read "lower-grade".

2. On page 31337, in the second column, the heading "45 CFR Part 10" should read "46 CFR Part 10".

3. On page 31340, in the table "ESTIMATED ANNUAL COSTS OF THIS RULEMAKING ARE AS FOLLOWS:", the third dollar entry "505,00" should read "505,000".

§ 10.43 [Corrected]

4. On page 31345, in the second column, in § 10.43(b), in the seventh line "10.414" should read "10.424"; and in the eighth line "10,418" should read "10,418".

BILLING CODE 1505-01-D

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Part 111

[CGD 94-108]

RIN 2115-AF24

Electrical Engineering Requirements for Merchant Vessels

Correction

In rule document 96-16318 appearing on page 33045, in the issue of Wednesday, June 26, 1996, make the following correction:

§111.87-3 [Corrected]

On page 33045, in the third column, in §111.87-3, in amendatory instruction 20., in the last line, "\$100.20-1" should read "\$110.20-1".

BILLING CODE 1505-01-D

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Thursday, July 11, 1996

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The items in this list were editorially compiled as an aid to Federal Register users. Inclusion or exclusion from this list has no legal significance.

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LIST OF PUBLIC LAWS

This is a list of public bills from the 104th Congress which have become Federal laws. It may be used in conjunction with "PLUS" (Public Laws Update Service) on 202-523-6641. The text of laws is not published in the **Federal Register** but may be ordered in individual pamphlet form (referred to as "slip laws") from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (phone, 202-512-2470).

H.R. 1880/P.L. 104-157

To designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the "Edward Madigan Post Office Building". (July 9, 1996; 110 Stat. 1405)

H.R. 2437/P.L. 104-158

To provide for the exchange of certain lands in Gilpin County, Colorado. (July 9, 1996; 110 Stat. 1406)

H.R. 2704/P.L. 104-159

To provide that the United States Post Office building that is to be located at 7436 South Exchange Avenue, Chicago, Illinois, shall be known and designated as the "Charles A. Hayes Post Office Building". (July 9, 1996; 110 Stat. 1411)

H.R. 3364/P.L. 104-160

To designate the Federal building and United States courthouse located at 235 North Washington Avenue in Scranton, Pennsylvania, as the "William J. Nealon Federal Building and United States Courthouse". (July 9, 1996; 110 Stat. 1412)

Last List July 9, 1996