adopted, not be effective until eighteen months from the date of the Federal Register Notice of Final Rulemaking.

Comments

While Customs received a request for a public hearing on the issues involved in this rulemaking from one commenter, the great majority of the commenters did not favor a hearing. Under these circumstances, Customs does not believe that a hearing would significantly enhance the process of public participation in the rulemaking and does not plan to hold a hearing. However, before adopting this proposed regulation as a final rule, consideration will be given to any written comments that are timely submitted in connection with this notice. Comments are requested on both the substance of these proposals and the proposed effective date, if the proposals are adopted. Members of the public submitting comments based on current labeling practices are requested, where possible, to submit sample labels illustrating the alleged practices. The submission of duplicate sets of labels will expedite evaluation of the comments and will be appreciated by the Customs Service.

Comments submitted will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552), § 1.4, Treasury Regulations (31 CFR 1.4), and § 103.11(b), Customs Regulations (19 CFR 103.11(b)), on regular business days between the hours of 9 a.m. and 4:30 p.m. at the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, 1099 14th Street, NW., Suite 4000, Washington, DC.

Inapplicability of the Regulatory Flexibility Act, and Executive Order 12866

For the reasons set forth in the preamble, pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*), it is certified that the amendment, if adopted, will not have a significant economic impact on a substantial number of small entities. Accordingly, it is not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604. Further, this proposed amendment does not meet the criteria for a ''significant regulatory action'' as specified in E.O. 12866.

List of Subjects in 19 CFR Part 134

Country of origin, Customs duties and inspection, Imports, Labeling, Marking, Packaging and containers.

Proposed Amendments

It is proposed to amend part 134, Customs Regulations (19 CFR part 134), as set forth below:

PART 134—COUNTRY OF ORIGIN MARKING

1. The authority citation for part 134 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 20, Harmonized Tariff Schedule of the United States), 1304, 1624.

2. In § 134.43, it is proposed to add a new paragraph (f) to read as follows:

§ 134.43 Methods of marking specific articles.

* * * * *

(f) *Frozen Produce*—(1) *Definition*. Frozen produce means frozen vegetables or mixtures of frozen vegetables provided for in Chapter 7, Harmonized Tariff Schedule of the United States (HTSUS), or frozen fruits or mixtures of frozen fruits provided for in Chapter 8, HTSUS.

(2) *Method of Marking.* (i) Unless otherwise excepted pursuant to 19 U.S.C. 1304(a)(3) and subpart D of this part, frozen produce must be marked with the country of origin of the produce on the front panel of its package for retail sale. The front panel is the part of a package that is most likely to be displayed, presented, shown, or examined by the ultimate purchaser under customary conditions of display for retail sale.

(ii) The country of origin marking on the frozen produce required by paragraph (f)(2)(i) of this section must appear in permanent, indelible and legible print or type so that the consumer can easily read it without strain. Condensed or compressed typefaces or arrangements shall not be used.

Approved: July 9, 1996.

Michael H. Lane,

Acting Commissioner of Customs.

James E. Johnson,

Assistant Secretary of the Treasury (enforcement).

[FR Doc. 96–18544 Filed 7–22–96; 8:45 am]

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Office of the Assistant Secretary for Financial Markets

Fiscal Service

31 CFR Part 356

Amendments to the Uniform Offering Circular for the Sale and Issue of Marketable Book-Entry Treasury Bills, Notes and Bonds; Notice of Meeting

AGENCY: Office of the Assistant Secretary for Financial Markets, Treasury.

ACTION: Advance Notice of Proposed Rulemaking; Meeting.

SUMMARY: On May 20, 1996, the Department of the Treasury published an Advance Notice of Proposed Rulemaking soliciting comments on certain aspects of a new inflation-protection security. The Treasury is hosting a symposium to discuss the advantages and disadvantages of certain structures under consideration for the inflation-protection security Treasury intends to issue. The meeting will be open to the public.

DATES: 3:00 p.m., July 24, 1996.

ADDRESSES: Main Treasury Building, 1500 Pennsylvania Avenue, N.W., Washington, D.C. 20220; Meeting Room To Be Announced. For security reasons, in order to be admitted to the Treasury Building, you must call the contact person below.

FOR FURTHER INFORMATION CONTACT: Questions about this notice should be addressed to Alison Shelton, Financial Economist, Office of Federal Finance Policy Analysis, Office of the Assistant Secretary for Financial Markets, at 202–622–2680. Persons wishing to attend the meeting are requested to contact Tinese Hamilton at 202–622–2624, prior to 12:00 noon Eastern time on July 24, 1996, to make arrangements for attendance.

SUPPLEMENTARY INFORMATION: On May 16, 1996, the Department of the Treasury (Department or Treasury) announced its intention to issue a new type of marketable book-entry security with a nominal return linked to the inflation rate in prices or wages, as officially published by the United States Government. An Advance Notice of Proposed Rulemaking (ANPR) seeking comments on various structures was published on May 20, 1996 (61 FR 25164) and a series of meetings was subsequently held by the Treasury to obtain public input on the new inflation-protection security.

As a result of the comments received in response to the ANPR and at the public meetings, the Department is holding a symposium to discuss and obtain comments and information on the comparison between two different structures for an inflation-protection security—a Canadian-style and a current pay structure.

The Treasury has invited certain commenters to take part in the symposium. These participants will comment on certain questions posed by the Treasury and take part in a discussion. Members of the public are invited to observe. Written comments from the public are also welcome (see below). The Treasury intends to seek further comment on the structure for Treasury inflation-protection securities and other issues prior to issuing final rules.

Possible Structures

The Canadian-style structure was described in the ANPR. Briefly, the principal of a Canadian-style inflation-protection security is adjusted for inflation (with a lag) such that its real value remains constant. The semiannual coupon payments are a fixed percentage of the current, inflation-adjusted value of the principal on the interest payment date. At maturity, the inflation-adjusted principal is paid, along with the last interest payment. (Please refer to the ANPR for the formulas for the Canadian-style structure.)

Some commenters have suggested that the Treasury consider an alternative structure that was not described in the ANPR. Under this current pay structure, all the inflation compensation and real interest is paid out semiannually. The formula for the semiannual coupon on the current pay security is the sum of the semiannual coupon and the principal appreciation (depreciation) of the Canadian-style security. Looking at this another way, the current pay semiannual coupon rate is the sum of the real semiannual rate, the six-month percentage change in the price or wage index, and the product of these two rates. The principal of the current pay security would not be indexed. In order to simplify the security, it is assumed here that the rate will not be less than zero. Possible formulas for the current pay structure are provided in the Appendix at the end of this notice.

Questions

The Treasury Department is interested in response to the following questions:

(1) Which structure, Canadian or current pay, is likely to have the largest potential market?

(2) Which investor groups would find investments in the different structures appealing?

(3) How would the yield on the current pay structure compare with the yields on other Treasury securities (bills, notes, or bonds)?

(4) If the current pay structure were strippable, would there be substantial market interest in the stripped components?

(5) Would the preferred maturity sectors for the current pay structure be different from those for the Canadian-style structure?

(6) What would be the best way to auction current pay securities? For example, should the Treasury use a single-price auction and set the coupon rate at the highest accepted yield? Should reopening auctions be based on price rather than yield?

(7) Which structure would provide the Treasury with the largest savings in financing costs?

Written Comments

The Treasury also welcomes written comments on these questions. Written comments should be sent to: The Government Securities Regulations Staff, Bureau of the Public Debt, 999 E Street N.W., Room 515, Washington, D.C. 20239. Comments received, together with any written materials presented at the symposium, will be available for public inspection and copying at the Internal Revenue Service, FOIA Reading Room, located at the Internal Revenue Service building at Pennsylvania Avenue and 11th Streets, N.W., Room 1621, until the Treasury Department Library reopens.

Dated: July 18, 1996.

Darcy Bradbury,

Assistant Secretary, Financial Markets.

Appendix—Formulas for Current Pay Structure

I. Reference INUM:

$$\text{Ref INUM}_{\text{Date}} = \text{Ref INUM}_{\text{M}} + \frac{t-1}{D}\left[\text{Ref INUM}_{\text{M}+1} - \text{Ref INUM}_{\text{M}}\right]$$

II. Index Ratio:

$$\text{Index Ratio}_{\text{Date}} = \frac{\text{Ref INUM}_{\text{Date}}}{\text{Ref INUM}_{\text{LastSA}}}$$

III. Semiannual Interest:

A. Coupon = $(I/2) \times \text{Index Ratio}_{\text{Date}} \times P + (\text{Index Ratio}_{\text{Date}} - 1) \times P$

though not less than zero.

B. Coupon Rate = $(I/2) + \text{Infl. Rate} + ((I/2) \times \text{Infl. Rate})$

though not less than zero.

Definitions:

Date=valuation date

D=the number of days in the month in which Date falls

t=the calendar day corresponding to Date

INUM=index number

Ref $\text{INUM}_{\text{LastSA}}$=reference INUM for the original issue date or last semiannual interest payment date

Ref INUM_{M}=reference INUM for the first day of the calendar month in which Date falls

Ref $\text{INUM}_{\text{M}+1}$=reference INUM for the first day of the calendar month immediately following Date

I=real interest rate (set at initial auction)

P=principal amount

Coupon=semiannual interest payment amount

Coupon Rate=semiannual coupon rate

Infl. Rate=Index $\text{Ratio}_{\text{Date}} - 1$

[FR Doc. 96–18802 Filed 7–19–96; 2:31 pm]

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