

Proposed Rules

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

OFFICE OF GOVERNMENT ETHICS

5 CFR Part 2634

RIN 3209-AA00

Executive Branch Financial Disclosure, Qualified Trusts, and Certificates of Divestiture

AGENCY: Office of Government Ethics (OGE).

ACTION: Proposed rule.

SUMMARY: The Office of Government Ethics is proposing to amend the regulation governing confidential financial disclosure for executive branch employees, to: update the standardized confidential disclosure report form designation by adding reference to the new OGE Form 450, which is replacing the old SF 450; and authorize all executive branch agencies to use a standardized certificate of no new interests (OGE Optional Form 450-A) as an alternative procedure in lieu of OGE Form 450, for regular employee annual confidential disclosure filers who can make the required certifications.

DATES: Comments are invited and must be received on or before March 17, 1997.

ADDRESSES: Send comments to the Office of Government Ethics, Suite 500, 1201 New York Avenue, NW., Washington, DC 20005-3917, Attention: G. Sid Smith. Copies of the draft proposed OGE Optional Form 450-A are available by contacting Mr. Smith or Mr. Gressman at OGE, telephone: 202-208-8000.

FOR FURTHER INFORMATION CONTACT: G. Sid Smith, Associate General Counsel, Office of Government Ethics; telephone: 202-208-8000; TDD: 202-208-8025; FAX: 202-208-8037; Internet E-mail address: usoge@oge.gov (for E-mail messages, the subject line should include the following reference—Proposed Certificate of No New Interests Regulation).

SUPPLEMENTARY INFORMATION:

I. Background

On April 7, 1992, the Office of Government Ethics (OGE) published a new financial disclosure regulation for the executive branch, as codified at 5 CFR part 2634, which implemented provisions of the Ethics Reform Act of 1989 and Executive Order 12674 (as modified by E.O. 12731), to reauthorize both a public and a confidential financial disclosure system for certain executive branch employees. See 57 FR 11800-11830, as corrected at 57 FR 21854-21855 and 62605. Among other subsequent revisions, OGE amended § 2634.601 of that regulation on July 21, 1993, to supply the then-current designation, Standard Form (SF) 450, for the form used by confidential disclosure filers throughout the executive branch. See 58 FR 38911-38913. On November 30, 1993, OGE also amended § 2634.907 of that regulation, to exempt from the confidential reporting requirement certain deposit accounts, money market funds and accounts, and U.S. Government obligations and securities. See 58 FR 63023-63024.

Those exemptions, along with several clarifying and simplifying features, were incorporated into a new OGE Form 450, after appropriate Federal Register paperwork notices on September 1 and December 6, 1995, and clearance through the Office of Management and Budget. See 60 FR 45722-45723 and 62469-62471. A camera-ready copy of the new OGE Form 450 was distributed by OGE on February 27, 1996, to all designated agency ethics officials, for local copying and immediate use as a replacement for the SF 450.

The proposed regulatory amendment that is being published herein would update 5 CFR 2634.601, to reflect the new form's designation as OGE Form 450. Supplies of the old SF 450 that are held by agencies or obtained from the Federal Supply Service may continue to be used first, if agencies prefer, until the old SF 450's clearance under the Paperwork Reduction Act expires on August 31, 1997. The form designation in the regulation is proposed to be amended, to reflect the phaseout of the SF 450 and its ongoing replacement with OGE Form 450, which has already become the primary format in general use.

The second purpose of this proposed regulatory amendment would be to authorize all executive branch agencies to use a standardized certificate of no new interests as an alternative procedure in lieu of OGE Form 450, for regular employee annual confidential disclosure filers who can make the required certifications. The current regulation provides at 5 CFR 2634.905 that agencies may exclude certain employees from confidential financial disclosure reporting, even though their positions have been designated for filing. To exclude such employees, an agency must determine that, because of the nature of their duties, either (a) the possibility of a conflict is remote, or (b) their duties involve a low level of responsibility, or (c) the use of an alternative procedure, approved in writing by OGE, is adequate to prevent conflicts. The proposed regulatory amendment being published herein concerns alternative procedures, and would authorize all executive branch agencies to use a new optional alternative certificate for certain regular employees.

Under authority of 5 CFR 2634.905(c), approximately 20 individual departments and agencies have already received written approval from OGE for alternative procedures which were found to be adequate in preventing conflicts, either as supplements to or in lieu of the SF/OGE Form 450. Some of these alternatives require affirmative disclosure of certain financial interests, and some have taken the form of a certificate of no conflict between the employee's official duties and outside financial interests (the latter being used primarily for special Government employees who serve for a short period of time). All of these previously approved agency-specific alternatives would remain valid and unaffected by the proposed additional alternative certificate that this regulatory amendment would authorize as an option for all executive branch agencies.

In response to a Cabinet-level department's request in 1995, OGE approved on an experimental basis the use of a certificate of no new interests in lieu of filing an annual SF/OGE Form 450, by that department's regular employees who would otherwise have to file confidential financial disclosure reports. That proposal offered a unique opportunity to test a new alternative not

previously authorized for any agency—a statement certifying that filers (and their spouse and dependent children) have acquired no new interests since filing their most recent SF/OGE Form 450, and that neither the filer nor spouse has changed jobs or job responsibilities since filing that report.

The department which tested this alternative reported to OGE in April 1996 that the experiment was an overwhelming success during the 1995 filing cycle, from the standpoint of easing the administrative burden on filers and agency ethics officials, while continuing to guard against conflicts of interest. Over half (718) of that department's 1277 regular employees who would otherwise have had to file an annual SF/OGE Form 450 utilized the alternative certificate. The department recommended that this alternative certificate be continued, and that it be expanded for use by other departments and agencies.

Prior to proposing expanded use of this alternative certificate, OGE wanted to obtain suggestions from the various executive branch agencies. Consequently, OGE conducted a survey of agency ethics officials in June 1996, to which 79 agencies responded, and a focus group of approximately 100 ethics officials in attendance at the September 1996 OGE Ethics Conference in Philadelphia, Pennsylvania, to discuss the issue. The survey revealed that all respondents were in favor of expanding the option of using this certificate to their agencies. A significant number of participants at the focus group also expressed their support for its use.

Based on input from both the survey and the focus group, OGE has now determined that it would be appropriate to propose to authorize throughout the executive branch the optional use of an OGE-developed certificate of no new interests in lieu of an OGE Form 450, for regular employee annual confidential financial disclosure filers who can make the required certifications. (If a filer could not make the proposed required certifications because there had been changes, then a new OGE Form 450 would have to be filed.) The proposed regulatory amendment being published herein would accomplish that authorization, and would prescribe a uniform format and methodology.

Note that this proposed certificate of no new interests would be a confidential document, and would have to be accorded the same privacy protections as the OGE Form 450. Thus, no member of the public could have access to a completed certificate of no new interests, except as authorized by law. See 5 CFR 2634.604(b) and

2634.901(d). The draft OGE Optional Form 450–A includes a Privacy Act statement to that effect.

While this proposed regulatory amendment concerns regular employees only, a similar standardized certificate for special Government employees (SGE) who serve on advisory committees for more than one year remains under consideration. Agencies and members of the public are encouraged to provide comments to OGE during this rulemaking if they believe that use of such a certificate for SGEs would also be appropriate.

II. Analysis of Amendments to the Regulation

The following sections of 5 CFR part 2634 are proposed to be amended to accomplish the two changes outlined above. The first change proposed, adding the new form designation, would be purely administrative. The second proposed change would exercise existing OGE authority in § 2634.905(c) of the regulation to approve alternative procedures in writing, and would do so by means of a general regulatory amendment (new proposed paragraph (d) of § 2634.905), rather than on an agency-by-agency basis. Furthermore, use of this alternative certificate would be entirely optional with each agency, and even if the agency did decide it would be beneficial to adopt, each affected employee would retain the option of either using the certificate (if applicable) or filing a new OGE Form 450. Thus, this proposed regulatory amendment would not mandate any new requirements for agencies or their employees. It would simply respond to a need for additional flexibility that OGE and a number of agencies and employees have identified.

Section 2634.601

In addition to the proposed addition of a reference to the new OGE Form 450 designation, the amendments to this section of the regulation would add reference to a new OGE Optional Form 450–A (Confidential Certificate of No New Interests), as proposed, which would be authorized by new § 2634.905(d). The proposed amendments would also describe how both forms may be obtained and stocked. Specifically, OGE has previously provided a camera-ready version of the OGE Form 450 to each designated agency ethics official (DAEO), who then has supplies reproduced locally. Likewise, OGE intends to distribute a camera-ready version of the proposed OGE Optional Form 450–A, once a final version of it is adopted at the time this rulemaking

is finalized, for local reproduction of supplies by DAEOs. The OGE Form 450 is also available from OGE in electronic format, from which paper copies may be printed. The electronic format may be obtained from OGE on computer disk, or through OGE's electronic bulletin board TEBBS ("The Ethics Bulletin Board System") at 202–208–8030, or via OGE's World Wide Web Site at <http://www.access.gpo.gov/usoge>. The Office of Government Ethics will make the proposed OGE Optional Form 450–A, once finally adopted as referenced in the regulation, so available in electronic format. For now, the proposed form is available for review by contacting OGE directly.

Section 2634.905(d)

The format and methodology for the proposed certificate of no new interests which would be authorized for certain confidential filers by the amendments as proposed to this section of the regulation have been formulated to accommodate the general consensus of opinions expressed in OGE's recent survey and focus group, as follows:

(a) The proposed format would retain its essential character as a certificate of no new interests, as proposed and tested at a Cabinet-level department last year and favored by 84% of the respondents to OGE's survey, rather than a certificate of no change (no new interests and no divestitures), or a statement affirmatively detailing new interests and divestitures. A certificate of no new interests would permit the greatest number of filers to use this alternative to OGE Form 450, while avoiding ambiguity and confusion in a filer's disclosure history.

(b) Only regular employee annual filers (not new entrants or special Government employees) would be eligible to use the proposed certificate of no new interests, as its use would presuppose that an initial OGE Form 450 had been filed for the position, that could serve as a point of reference. Its due date would be the same as specified in the regulation for the annual OGE Form 450 that would otherwise be due.

(c) Filers could use the proposed certificate for a maximum of three consecutive years before being required to file a new OGE Form 450 every fourth year. Over half (58%) of the respondents to OGE's survey recommended this time frame. Alternatively, the proposed amendments would authorize agencies to choose, under this section of the regulation, to allow use of the certificate for only one year (or two years), and to require a new OGE Form 450 every second (or third) year.

(d) In each year divisible by four, beginning in 2000 (or divisible by two or three, beginning in 1998, if agencies were to choose one of the more frequent options), all regular employee annual confidential disclosure filers would have to file a new OGE Form 450, regardless of how recently they might have filed that form (either as a new entrant or as an annual filer in years when they could not qualify to use, or chose not to use, the optional certificate). Although this proposed requirement might be time-consuming for filers and ethics officials periodically, it is necessary in order to eliminate the significant administrative difficulties inherent in a proposed system that would otherwise permit tracking on an individual basis the number of years each filer had used the alternative certificate. Furthermore, it was preferred by 63% of the respondents to OGE's survey.

(e) As indicated on OGE Optional Form 450-A, eligible filers would have the option of using either OGE Optional Form 450-A (if applicable) or OGE Form 450, whichever they prefer. Agencies would, therefore, normally provide them with a blank OGE Form 450 and its accompanying three pages of instructions at the same time that the future blank OGE Optional Form 450-A were distributed. This proposed suggestion is the result of OGE's test of the certificate last year, as well as its survey and focus group. First, the instructions to OGE Form 450 would be necessary as guidance to certificate users on what is meant by reportable interests. Second, it is anticipated that, even once the new proposed certificate system is finally adopted, approximately half of annual confidential disclosure filers will still file the OGE Form 450 rather than the optional certificate, either because they will have new reportable interests or they will otherwise choose to file a new OGE Form 450. That was the case at the department where OGE tested this procedure last year. If agencies preferred not to attach a blank OGE Form 450 and its accompanying instructions, then they could develop separate written guidance to advise certificate users of what is meant by reportable interests, or they might refer users to the guidance contained in any agency-approved electronic software for the OGE Form 450 and its accompanying instructions, if readily available.

(f) Since the proposed certificate would be a partial update of a previous OGE Form 450 that had already been reviewed and kept on file by the agency, certificate users would generally not be required by the amendments to the

regulation as proposed to attach their previous OGE Form 450. However, they would have to certify as part of the alternative format that they had reexamined their most recent previous filing. In this regard, filers ought to be encouraged to retain copies of the most recent OGE Form 450 which they have filed, so that an agency's ethics office would not become overburdened with providing them copies. Not requiring certificate users to attach their previous OGE Form 450 would promote the purposes for using a certificate as proposed: to reduce paperwork and to simplify procedures for both filers and ethics officials. However, under these proposed amendments, an agency could require its employees to attach a copy of their previous OGE Form 450, if it determined that the previous form should be reexamined by supervisors or that its attachment were otherwise necessary.

While not all agencies will agree with these specific requirements as proposed, they are necessary in OGE's view in order to preserve general uniformity and to maintain adequate checks on potential employee conflicts of interest in the least confusing or burdensome manner. The proposed requirements outlined above offer considerable flexibility, within the prescribed framework, such that a variety of agencies should find this alternative procedure workable once finally adopted. Of course, agencies would not be required to use a certificate of no new interests at all; this proposed regulatory amendment would merely establish a pre-approved option for their consideration. However, if agencies chose to use the option as proposed, they would have to follow the prescribed methodology and format. Under these proposed amendments, if an agency wished to deviate from the prescribed methodology and format, it would have to seek separate OGE approval in writing. In this regard, OGE has already determined, through consultation with the Office of Management and Budget, that the particular certificate format proposed to be authorized herein is in conformity with the Paperwork Reduction Act, and would require no further clearance. This is because its use would be strictly optional for employees, it would be used exclusively by current Government employees, and it would not require affirmative disclosure of substantive information.

As noted above, the proposed general executive-branchwide regulatory authorization for a certificate of no new interests would not eliminate any other alternative procedures that have been

approved by OGE in writing, on an agency-specific basis.

Before using the alternative certificate to be authorized by this proposed amendment, agencies would have to make the determination required by new § 2634.905(d) of the regulation, as proposed, that the certificate would be adequate to prevent conflicts of interest. Once that determination had been made, an agency could use the proposed alternative certificate for all or specified groups of its eligible filers, provided they were given the option of either filing the certificate (if applicable) or a new OGE Form 450, whichever the employee preferred.

In deciding whether to adopt this proposed optional alternative certificate at a particular agency, once the new procedure is finally adopted by OGE for the executive-branchwide use at each agency's option, the agency should give consideration to its unique circumstances. For some, a certificate of no new interests might not be suitable because the potential for conflict might change from year to year, even though an employee's actual job description or official responsibilities remained unchanged and the employee did not acquire any new financial interests. Agencies with relatively few confidential filers or a high percentage of filers with new interests each year might decide that authorizing a certificate in lieu of an annual OGE Form 450 might not significantly reduce their administrative burden. Agencies with large numbers of filers might be concerned that any administrative time saved could be outweighed by the potential for confusing filers, or that use of the certificate might burden filers with the need to maintain copies of previously filed OGE Form 450s for examination prior to certifying that they had not acquired any new interests, or that the agency itself might be inundated with requests for copies of previously filed reports. Some agencies might decide that the certificate proposed would not meet their needs because it would not account for divestitures. Other agencies might be concerned that filers would lose the proper focus on conflict prevention, if filing requirements were relaxed.

While these concerns should not present insurmountable problems for most agencies, they were raised by some respondents during OGE's recent survey and focus group. Therefore, comments are welcome thereon and such concerns should be carefully considered by agencies prior to deciding whether to adopt the proposed alternative certificate, when and if it is finally adopted by OGE for executive-

branchwide use. Some agencies might find it appropriate to test the alternative for one year, to gauge its effectiveness before deciding to adopt it on a long-term basis. This could easily be accomplished, under the regulatory amendments as proposed, by initially selecting the proposed option described above of permitting use of the certificate for one year only, with a new OGE Form 450 being required in the second year.

III. Matters of Regulatory Procedure *Executive Order 12866*

In promulgating these proposed rule amendments, the Office of Government Ethics has adhered to the regulatory philosophy and the applicable principles of regulation set forth in section 1 of Executive Order 12866, Regulatory Planning and Review. These proposed amendments have also been reviewed by the Office of Management and Budget under that Executive order.

Regulatory Flexibility Act

As Director of the Office of Government Ethics, I certify under the Regulatory Flexibility Act (5 U.S.C. chapter 6) that this proposed amendatory rule will not have a significant economic impact on a substantial number of small entities, because it primarily affects Federal executive branch employees.

Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. chapter 35) does not apply, because these proposed amendments do not contain information collection requirements that require the approval of the Office of Management and Budget.

List of Subjects in 5 CFR Part 2634

Administrative practice and procedure, Certificates of divestiture, Conflict of interests, Financial disclosure, Government employees, Penalties, Privacy, Reporting and recordkeeping requirements, Trusts and trustees.

Approved: January 2, 1997.
Stephen D. Potts,
Director, Office of Government Ethics.

Accordingly, for the reasons set forth in the preamble, the Office of Government Ethics proposes to amend part 2634 of subchapter B of chapter XVI of title 5 of the Code of Federal Regulations, as follows:

PART 2634—[AMENDED]

1. The authority citation for part 2634 continues to read as follows:

Authority: 5 U.S.C. App. (Ethics in Government Act of 1978); 26 U.S.C. 1043; E.O. 12674, 54 FR 15159, 3 CFR, 1989 Comp., p. 215, as modified by E.O. 12731, 55 FR 42547, 3 CFR, 1990 Comp., p. 306.

Subpart F—Procedure

2. Section 2634.601 is amended by revising paragraph (a) and adding a new paragraph (d) to read as follows:

§ 2634.601 Report forms.

(a) The Office of Government Ethics provides, through the Federal Supply Service of the General Services Administration (GSA), a standard form, the SF 278 (Public Financial Disclosure Report), for reporting the information described in subpart B of this part on executive branch public disclosure. The Office of Government Ethics also provides two uniform formats relating to confidential financial disclosure: OGE Form 450 (Confidential Financial Disclosure Report) for reporting the information described in subpart I of this part on executive branch confidential disclosure; and OGE Optional Form 450-A (Confidential Certificate of No New Interests) for voluntary use by certain employees in lieu of filing an annual OGE Form 450, if authorized by their agency, in accordance with § 2634.905(d) of subpart I. Supplies of the two confidential forms are to be reproduced locally by each agency, from a camera-ready copy or an electronic format made available by the Office of Government Ethics. (Until August 31, 1997, the old SF 450 remains usable, rather than the new OGE Form 450, and is available from GSA's Federal Supply Service.)

* * * * *

(d) The information collection and recordkeeping requirements have been approved by the Office of Management and Budget under control number 3209-0001 for the SF 278, and control number 3209-0006 for OGE Form 450/SF 450. OGE Optional Form 450-A has been determined not to require an OMB paperwork control number, as its use is strictly optional for employees, it is used exclusively by current Government employees, and it does not require affirmative disclosure of substantive information.

Subpart I—Confidential Financial Disclosure Reports

3. Section 2634.905 is amended by revising the introductory text and by adding a paragraph (d) before the examples, to read as follows:

§ 2634.905 Exclusions from filing requirements.

Any individual or class of individuals described in § 2634.904 of this subpart, including special Government employees unless otherwise noted, may be excluded from all or a portion of the confidential reporting requirements of this subpart, when the agency head or designee determines that:

* * * * *

(d) The use of OGE Optional Form 450-A (Confidential Certificate of No New Interests) is adequate to prevent possible conflicts of interest. This form may be used by eligible filers, as described in this paragraph, who can certify, after reexamining their most recent previous OGE Form 450, that they (and their spouse and dependent children) have acquired no new interests, and that neither the filer nor spouse has changed jobs or job responsibilities since filing that previous report. OGE Optional Form 450-A will be used under the following conditions:

(1) OGE Optional Form 450-A will only be made available for use by current employees who are not special Government employees.

(2) OGE Optional Form 450-A will only be used by incumbent filers, as described in § 2634.903(a) of this subpart, in lieu of filing an annual OGE Form 450, who have a previous OGE Form 450 on file with their agency for the position they currently hold. Its due date is as specified in § 2634.903(a), unless extended under § 2634.903(d).

(3) As indicated on the OGE Optional Form 450-A, eligible filers may use OGE Optional Form 450-A, if applicable, or they may file a new OGE Form 450, at their option. Therefore, a blank OGE Form 450 and its accompanying written instructions should ordinarily be distributed to them, along with the blank OGE Optional Form 450-A. The instructions to OGE Form 450 will also provide guidance on what is meant by "reportable" interests on OGE Optional Form 450-A. In lieu of attaching a blank OGE Form 450 and its instructions, agencies may choose to develop separate written guidance on what is meant by "reportable" interests, or they may refer certificate users to the guidance contained in any agency-approved electronic software for the OGE Form 450 and its accompanying instructions, if readily available. Filers would then also need to be advised of where to obtain a blank OGE Form 450, if needed.

(4) OGE Optional Form 450-A may be used by eligible filers for a maximum of

three consecutive years before they are required to complete a new OGE Form 450, every fourth year. Agencies may, however, elect to permit use of the OGE Optional Form 450-A for only one year (or two years), and to require a new OGE Form 450 every second (or third) year.

(5) In each year divisible by four, beginning in 2000 (or divisible by two or three, beginning in 1998, for agencies that choose one of the more frequent options described in the second sentence of paragraph (d)(4) of this section), all incumbent filers, as described in § 2634.903(a) of this subpart, must file a new OGE Form 450 rather than OGE Optional Form 450-A, regardless of how recently they may have filed an OGE Form 450 (either as a new entrant or as an annual filer who was not eligible to use, or chose not to use, the optional certificate).

(6) When using OGE Optional Form 450-A, filers are not required to attach their previous OGE Form 450, unless their agency determines that it is necessary.

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[FR Doc. 97-961 Filed 1-14-97; 8:45 am]

BILLING CODE 6345-01-U

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Part 400

RIN 0563-AB26

General Administrative Regulations; Collection and Storage of Social Security Account Numbers and Employer Identification Numbers

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Proposed rule.

SUMMARY: The regulations contained in this subpart are issued pursuant to the Federal Crop Insurance Act, as amended (FCIA) (7 U.S.C. 1501 *et seq.*). The intended effect of this revision is to comply with the statutory mandate that requires the collection of Social Security Number (SSN) and Employer Identification Number (EIN) information of participating agents, loss adjusters, and policyholders and to establish the procedures to be used by the Federal Crop Insurance Corporation (FCIC) and insurance providers in the collection, use, and storage of documents containing SSN or EIN information.

DATES: Written comments, data, and opinions on this proposed rule will be accepted until close of business March 17, 1997 and will be considered when

the rule is to be made final. The comment period for information collections under the Paperwork Reduction Act of 1995 continues through March 17, 1997.

ADDRESSES: Written comments, data, and opinions on this proposed rule should be sent to the Director, Product Development Division, Risk Management Agency (RMA), United States Department of Agriculture (USDA), 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926-7730. Written comments will be available for public inspection and copying in room 0324, South Building, USDA, 14th and Independence Avenue, SW., Washington, DC., 8:15 a.m.—4:45 p.m., est, Monday through Friday, except holidays.

FOR FURTHER INFORMATION CONTACT: For further information, contact Bill Smith, Supervisory Insurance Management Specialist, Research and Development, Product Development Division, RMA, at the Kansas City, MO address listed above, telephone (816) 926-7743.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This action has been reviewed under USDA procedures established by Executive Order 12866. This action constitutes a review as to the need, currency, clarity, and effectiveness of these regulations under those procedures.

This rule has been determined to be not significant for the purposes of Executive Order 12866, and, therefore, has been reviewed by the Office of Management and Budget (OMB).

Paperwork Reduction Act of 1995

The information collection requirements contained in these regulations have been submitted to OMB for their approval under section 3507(j) of the Paperwork Reduction Act of 1995. This proposed rule will amend the information collection requirements under OMB number 0563-0047, through November 30, 1999. The FCIC will be amending the information collection to adjust the estimated reporting hours and seek a valid approval for 3 years under section 3507(d) of the Act.

Revised reporting estimates and requirements for usage of OMB control number 0563-0047 will be submitted to OMB for approval under the provisions of 44 U.S.C. chapter 35. Public comments are due by March 17, 1997.

The title of this information collection is "Social Security Number (SSN) and Employer Identification Number (EIN) Reporting Form." Collection of the SSN and the EIN is required by section 506

of the FCIA (7 U.S.C. 1506). The FCIA requires the collection of SSN and EIN information of policyholders, participating agents, and loss adjusters and sets forth the procedures to be used by FCIC and insurance providers in the collection, use, and storage of documents containing SSN and EIN information. The primary use of the SSN and EIN under this proposed rule will be to correctly identify the participant, and any other person with an interest in the policyholder's operation of at least 10%, as a policyholder within the systems maintained by FCIC.

The information requested is necessary to for the insurance providers and FCIC to provide insurance and reinsurance, determine eligibility, determine the correct parties to the agreement or contract, determine and collect premiums, and pay indemnities. Failure to furnish this number will result in rejection of or substantial reduction in any claim for indemnity, ineligibility for insurance, and a unilateral determination of the amount of premium due.

Estimate of Burden: Public reporting burden for this collection of information is estimated to be 15 minutes per response.

Respondents: Policyholders and those with a substantial beneficial interest in the policyholder or any person having any interest in the policyholder and receiving separate benefits under another USDA program as a direct result of such interest.

Estimated Number of Respondents: 2,032,800.

Estimated Number of Responses per Respondent: 1 per year.

Estimated Total Burden Hours: 508,200.

The comment period for information collections under the Paperwork Reduction Act of 1995 continues on the following: (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 gathering technology.

Comments regarding paperwork reduction should be submitted to the Desk Officer of Agriculture, Office of Information and Regulatory Affairs,