

**SUPPLEMENTARY INFORMATION:** On December 13, 1996, FSIS published "Fee Increase for Inspection Services" (61 FR 65459). Although the preamble discussion of the fee changes was correct, the regulatory amendments were incorrect. The regulation continues to list the old fees. This notice corrects this oversight.

List of Subjects in 9 CFR Part 391

Fees and charges, Meat inspection, Poultry products inspection.

**PART 391—FEES AND CHARGES FOR INSPECTION SERVICES**

Accordingly, 9 CFR 391 is corrected by making the following correcting amendments:

1. The authority citation for part 391 continues to read as follows:

Authority: 7 U.S.C. 138f; 7 U.S.C. 394, 1622, and 1624; 21 U.S.C. 451 *et seq.*; 21 U.S.C. 601-695; 7 CFR 2.18 and 2.53.

2. Sections 391.2, 391.3, and 391.4 are revised to read as follows:

**§ 391.2 Base time rate.**

The base time rate for inspection services provided pursuant to §§ 350.7, 351.8, 351.9, 352.5, 354.101, 355.12, and 362.5 shall be \$32.88 per hour, per program employee.

**§ 391.3 Overtime and holiday rate.**

The overtime and holiday rate for inspection services provided pursuant to §§ 307.5, 350.7, 351.8, 351.9, 352.5, 354.101, 355.12, 362.5, and 381.38 shall be \$33.76 per hour, per program employee.

**§ 391.4 Laboratory services rate.**

The rate for laboratory services provided pursuant to §§ 350.7, 351.9, 352.5, 354.101, 355.12, and 362.5 shall be \$48.56 per hour, per program employee.

Done at Washington, DC, on February 5, 1997.

Thomas J. Billy,  
*Administrator.*

[FR Doc. 97-3371 Filed 2-10-97; 8:45 am]

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**COMMODITY FUTURES TRADING COMMISSION**

**17 CFR Parts 15, 18 and 19**

**Reports by Large Traders; Cash Position Reports in Grains (including Soybeans) and Cotton**

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Final rulemaking.

**SUMMARY:** The Commodity Futures Trading Commission (Commission) is amending Parts 15, 18 and 19 of the regulations under the Commodity Exchange Act ("Act"), 17 CFR Parts 15, 18 and 19 (1996). The amendments to Part 18 require that traders who hold reportable futures or option positions file the CFTC Form 40, "Statement of Reporting Trader," only upon request by the Commission or its designee. The amendments to Parts 15 and 19 provide that monthly cash position reports are required only if a trader's net long or net short combined futures and futures equivalent options position exceeds the levels specified in rule 150.2. The proposal to amend Parts 15, 18 and 19 was included with a number of other proposed amendments that primarily concerned option large trader reports. The Commission has determined to proceed with the changes to Parts 15, 18 and 19 immediately and will consider the remaining changes separately at a later time. Consideration of final rules on those changes relating to options reporting are dependent, in part, on the completion of upgrades to the Commission's computer system.

**EFFECTIVE DATE:** April 14, 1997.

**FOR FURTHER INFORMATION CONTACT:** Lamont Reese, Commodity Futures Trading Commission, Division of Economic Analysis, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

On July 18, 1996, the Commission published a notice of proposed rulemaking in the Federal Register that affects reports from large traders filed pursuant to rules 18.04 and 19.01(a)(1). See 61 FR 37409 (July 18, 1996). The amendments to Parts 18 and 19 were included with a number of other proposed amendments to the Commission's reporting rules that primarily concerned options large trader reports. Consideration of final rules with respect to option reporting is dependent, in part, on implementation of certain upgrades to the Commission's computer system.

Under Commission rule 18.04, traders who become reportable in futures must file a CFTC Form 40, "Statement of Reporting Trader," within ten business days following the day that the trader's position equals or exceeds specified levels.<sup>1</sup> Additional filings are required

to be made annually as specified in rule 18.04(d). 17 CFR 18.04 (1996). Traders who become reportable in options are required to file the Form 40 only in response to a special call by the Commission. The Form 40 requires the disclosure of information about ownership and control of futures and option positions held by the reporting trader as well as the trader's use of the markets for hedging.

As explained in the Notice of Proposed Rulemaking, when an account first becomes reportable in futures, the futures commission merchant, clearing member or foreign broker reporting the account files a CFTC Form 102 that identifies all persons having a ten percent or more financial interest in the account and those persons who control the trading of the account. Although all persons named on the Form 102 may be considered a "trader" according to the Commission's definition, as a matter of administrative practice Commission staff has not initiated requests for initial and updated Form 40s from all such traders. Generally staff has taken action against traders only if the traders had failed to respond to the staff's written request. 61 FR 37414 (July 18, 1996). In view of this, the Commission proposed to amend rule 18.04 to codify this practice by requiring that traders file Form 40s only in response to a special call and to delegate the authority to make these calls to the Director of the Division of Economic Analysis.

With regard to Part 19, the Commission requires that persons owning or controlling futures positions in commodities for which the Commission has established speculative limits file reports concerning their long and short cash positions, *i.e.*, stocks of the commodities owned and the quantity of their fixed-price purchase and sale commitments. See 17 CFR Part 19 (1996). These commodities include the grains, the soybean complex and cotton. See 17 CFR Part 150 (1996). The primary purpose for these reports is to determine if the futures and option positions of traders that exceed the Commission's speculative limits qualify as hedging as defined in section 1.3(z) of the Commission's regulations. Although the speculative limits set forth in rule 150.2 apply to the net long or net short combined futures and futures equivalent option position of a trader, the Commission's definition of a reportable position contained in rule 15.00 considers only the futures position to determine if a trader is reportable for purposes of reports filed

<sup>1</sup> A reportable position is any open position held or controlled by a trader at the close of business in any one futures contract of a commodity traded on any one contract market that is equal to or in excess

of the quantities fixed by the Commission in § 15.03 of the regulations, 17 CFR § 15.03 (1996).

pursuant to rule 19.01(a)(1).<sup>2</sup> The Commission proposed amendments to rules 15.00 and 19.00 so that a trader's net futures and futures-equivalent option position would be considered in determining whether the subject reports must be filed.<sup>3</sup>

II. Review of Comments

The Commission received eight comment letters concerning its proposals published in the July 18, 1996 Federal Register. Most comments addressed that part of the Commission's proposed rulemaking concerning options large trader reporting. Three commentators addressed the proposed changes to Parts 15, 18 and 19. One commentator supported adoption of the amendments as proposed, and the others had no objection to their adoption. In view of this, the Commission is adopting the amendments as proposed.

III. Related Matters

A. The Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 601 *et seq.*, requires that agencies consider the impact of these rules on small businesses. The Commission has previously determined that large traders and futures commission merchants are not "small entities" for purposes of the Regulatory Flexibility Act, 47 FR 18618-18621 (April 30, 1982). Therefore, the Chairperson, on behalf of the Commission, hereby certifies, pursuant to 5 U.S.C. § 605(b), that the action taken herein will not have a significant economic impact on a substantial number of small entities.

B. Paperwork Reduction Act (PRA)

When publishing final rules, the Paperwork Reduction Act of 1995, Pub. L. 104-13 (May 13, 1995), imposes certain requirements on Federal agencies (including the Commission) in connection with their conducting or sponsoring any collection of information as defined by the

Paperwork Reduction Act. In compliance with the Act, these final rules and/or their associated information collection requirements inform the public of:

1. The reasons the information is planned to be and/or has been collected; (2) the way such information is planned to be and/or has been used to further the proper performance of the functions of the agency; (3) an estimate, to the extent practicable, of the average burden of the collection (together with a request that the public direct to the agency any comments concerning the accuracy of this burden); (4) whether responses to the collection of information are voluntary, required to obtain or retain a benefit, or mandatory; (5) the nature and extent of confidentiality to be provided, if any; and (6) the fact 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.

The Commission previously submitted these rules in proposed form and their associated information collection requirements to the Office of Management and Budget. The Office of Management and Budget approved the collection of information associated with these rules on November 26, 1996, and assigned OMB control number 3038-0009 to these rules. The burden associated with this entire collection, including these final rules is as follows:

- Average burden hours per response:* .3607 hour.
  - Number of Respondents:* 6181.
  - Frequency of response:* Daily.
- The burden associated with these specific final rules, is as follows:
- Average burden hours per response:* .5991 hour.
  - Number of Respondents:* 5399.
  - Frequency of response:* On occasion.

Persons wishing to comment on the information required by these final rules should contact the Desk Officer, CFTC, Office of Management and Budget, Room 10202, NEOP, Washington, DC 20503, (202) 395-7340. Copies of the information collection submission to OMB are available from the CFTC Clearance Officer, 1155 21st Street NW, Washington, DC 20581, (202) 418-5160.

List of Subjects

17 CFR Part 15

Brokers, Reporting and recordkeeping requirements.

17 CFR Part 18

Brokers, Commodity futures, Reporting and recordkeeping requirements.

17 CFR Part 19

Brokers, Commodity futures, Reporting and recordkeeping requirements.

In consideration of the foregoing, and pursuant to the authority contained in the Commodity Exchange Act (Act), and in particular, sections 4g, 4i, 5 and 8a of the Act, 7 U.S.C. §§ 6g, 6i, 7 and 12a (1994), the Commission hereby amends chapter I of Title 17 of the Code of Federal Regulations as follows:

**PART 15—REPORTS—GENERAL PROVISIONS**

1. The authority citation for part 15 continues to read as follows:

Authority: 7 U.S.C. 2, 4, 5, 6a, 6c(a)-(d), 6f, 6g, 6i, 6k, 6m, 6n, 7, 9, 12a, 19 and 21; 5 U.S.C. 552 and 552(b).

2. Section 15.00 is amended by revising paragraph (b)(1)(ii) to read as follows:

**§ 15.00 Definitions of terms used in parts 15 to 21 of this chapter.**

\* \* \* \* \*

(b) \* \* \*

(i) \* \* \*

(ii) For the purposes of reports specified in § 19.00(a)(1) of this chapter, any combined futures and futures-equivalent option open contract position as defined in part 150 of this chapter in any one month or in all months combined, either net long or net short in any commodity on any one contract market, excluding futures positions against which notices of delivery have been stopped by a trader or issued by the clearing organization of a contract market, which at the close of the market on the last business day of the week exceeds the net quantity limit in spot, in single or in all-months fixed in § 150.2 of this chapter for the particular commodity and contract market.

\* \* \* \* \*

3. Section 15.01 is amended by revising paragraph (d) to read as follows:

**15.01 Persons required to report.**

\* \* \* \* \*

(d) Persons, as specified in part 19 of this chapter, either:

- (1) Who hold or control futures and option and positions that exceed the amounts set forth in § 150.2 of this chapter for the commodities enumerated in that section, any part of which constitutes bona fide hedging positions (as defined in § 1.3(z) of this chapter); or
- (2) Who are merchants or dealers of cotton holding or controlling positions for future delivery in cotton that equal

<sup>2</sup> Commission rules 150.1(f)-(h) define futures equivalent long and short positions as follows:  
 (f) Futures-equivalent means an option contract which has been adjusted by the previous day's risk factor, or delta coefficient, for that option which has been calculated at the close of trading and published by the applicable exchange under § 16.01 of this chapter.  
 (g) Long positions means a long call option, a short put option or a long underlying futures contract.  
 (h) Short positions means a short call option, a long put option or a short underlying futures contract.  
<sup>3</sup> Conforming amendments were proposed to rule 15.01(d). See 17 CFR 15.01(d) (1996). These amendments are adopted as proposed.

or exceed the amount set forth in § 15.03.

**PART 18—REPORTS BY TRADERS**

4. The authority citation for part 18 continues to read as follows:

Authority: 7 U.S.C. 2, 4, 6a, 6c, 6f, 6g, 6i, 6k, 6m, 6n, 12a, and 19; 5 U.S.C. 552 and 552(b) unless otherwise noted.

5. Part 18 is amended by adding a new § 18.03 as follows:

**§ 18.03 Delegation of authority to the Director of the Division of Economic Analysis.**

The Commission hereby delegates, until the Commission orders otherwise, the authority to make special calls on traders for information as set forth in §§ 18.00, 18.04 and 18.05 to the Director of the Division of Economic Analysis to be exercised by the Director or by such other employee or employees of the Director as may be designated from time to time by the Director. The Director of the Division of Economic Analysis may submit to the Commission for its consideration any matter which has been delegated in this paragraph. Nothing in this paragraph prohibits the Commission, at its election, from exercising the authority delegated in this paragraph.

6. Section 18.04 is amended by removing paragraph (d) and by revising the introductory text to read as follows:

**§ 18.04 Statement of reporting trader.**

Every trader who holds or controls a reportable options or futures position shall after a special call upon such trader by the Commission or its designee file with the Commission a "Statement of Reporting Trader" on the Form 40 at such time and place as directed in the call. All traders shall complete part A of the Form 40 and, in addition, shall complete:

Part B—If the trader is an individual, a partnership or a joint tenant.

Part C—If the trader is a corporation or type of trader other than an individual, partnership, or joint tenant.

\* \* \* \* \*

**PART 19—REPORTS BY PERSONS HOLDING BONA FIDE HEDGE POSITIONS PURSUANT TO § 1.3(z) OF THIS CHAPTER AND BY MERCHANTS AND DEALERS IN COTTON**

7. The authority section for part 19 continues to read as follows:

Authority: U.S.C. 6g(a), 6i, and 12a(5), unless otherwise noted.

8. Section 19.00 is amended by revising paragraph (a)(1) to read as follows:

**§ 19.00 General provisions.**

(a) \* \* \*

(1) All persons holding or controlling options or futures positions that are reportable pursuant to § 15.00(b)(1)(ii) of this chapter and any part of which constitute bona fide hedging positions as defined in § 1.3(z) of this chapter,

\* \* \* \* \*

Issued in Washington, D.C., January 31, 1997 by the Commission.

Catherine D. Dixon,

*Assistant to the Secretary of the Commission.*

[FR Doc. 97-3395 Filed 2-10-97; 8:45 am]

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**SOCIAL SECURITY ADMINISTRATION**

**20 CFR Part 404**

RIN 0960-AE31

**Cycling Payment of Social Security Benefits**

**AGENCY:** Social Security Administration (SSA).

**ACTION:** Final rules.

**SUMMARY:** Historically, Social Security benefits generally have been paid on the 3rd of each month. As a result of our ongoing efforts to improve service to our customers, we are establishing additional days throughout the month on which Social Security benefits will be paid. Current beneficiaries are not affected.

**EFFECTIVE DATE:** These final rules are effective May 1, 1997.

**FOR FURTHER INFORMATION CONTACT:** Lois Berg, Legal Assistant, Division of Regulations and Rulings, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965-1713. For information on eligibility, claiming benefits, or coverage of earnings, call our national toll-free number, 1-800-772-1213.

**SUPPLEMENTARY INFORMATION:**

**Background**

The second phase of the National Performance Review (NPR), the Federal Reinventing Government effort, was announced by the President and Vice President on December 19, 1994. It was designed to focus attention on what each agency does, examining its mission and looking at its programs and functions to see if there are ways to provide better service to the public and, at the same time, do business in a more cost-effective manner, i.e., "make government work better and cost less." Each agency was asked to assemble a team to review its own programs and functions. SSA's team worked closely

with a team of representatives from NPR and the Office of Management and Budget (OMB) to develop recommendations for the Vice President's consideration.

On April 11, 1995, the White House formally approved SSA's reinvention proposals and officially announced them the next day. One of these proposals was to cycle the payment of benefits.

Recipients of Old-Age, Survivors and Disability Insurance (OASDI) benefits and Supplemental Security Income (SSI) payments currently are paid in the first few days of each month. While these specific payment days have never been required by the Social Security Act (the Act), which in §§ 205(i) and 1631(a)(1) commits the time for making benefit payments to the discretion of the Commissioner of Social Security, it has been our longstanding administrative practice to make payment on these days. Monthly benefits are paid to all OASDI beneficiaries on the same day (generally the 3rd day of each month for the preceding month) and to all SSI beneficiaries on the same day (generally the 1st day of each month for which the payment is due).

Over the years, a trend has developed that has resulted in deterioration of services we provide face-to-face or over the telephone on and around our payment days. This phenomenon is described fully below and is of particular concern to us in light of the Agency's commitment to provide "world class" service to our beneficiaries and customers.

Executive Order 12862, issued on September 11, 1993, mandates that the standard of quality for services provided to the public for all government agencies shall be "customer service equal to the best in the business." This standard has been incorporated into SSA's goal of providing "world class" public service. For example, when you conduct business with us, we have set as goals that:

- When you make an appointment to talk with someone at one of our field offices, we will serve you within 10 minutes to the scheduled time.
- When you call our toll-free 800 number, you will get through to it within 5 minutes of your first try.

SSA's current practice of paying 47 million beneficiaries within the first 3 days of each month results in a large surge of work during the first week of each month. This surge includes a large number of visitors to field offices and calls to our toll-free 800 number to report nonreceipt of a check, question the amount paid, or ask about other payment-related issues. Approximately