

submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 97-NM-123-AD." The postcard will be date stamped and returned to the commenter.

### Regulatory Impact

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and that it is not a "significant regulatory action" under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption ADDRESSES.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

### Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

### PART 39—AIRWORTHINESS DIRECTIVES

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

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

#### § 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

**97-15-06 Boeing:** Amendment 39-10079. Docket 97-NM-123-AD.

**Applicability:** Model 737, 747, 757, and 767 series airplanes equipped with IPECO

pilots' seats; as listed in Boeing Service Bulletins 737-25-1334, 747-25-3132, 757-25-0183, and 767-25-0244; all dated December 19, 1996; certificated in any category.

**Note 1:** This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

**Compliance:** Required as indicated, unless accomplished previously.

To prevent uncommanded movement of the pilots' seats during acceleration and take-off of the airplane; accomplish the following:

(a) Within 90 days after the effective date of this AD, perform a one-time operational test of the pilots' seats and the seat locks to determine that the lock pin of the seat track fully engages in all lock positions of the seat track, in accordance with Boeing Service Bulletin 737-25-1334 (for Model 737 series airplanes), 747-25-3132 (for Model 747 series airplanes), 757-25-0183 (for Model 757 series airplanes), or 767-25-0244 (for Model 767 series airplanes); all dated December 19, 1996; as applicable.

(1) If the seat lock pin fully engages in all lock positions of the seat track, no further action is required by this AD.

(2) If the seat lock pin does not fully engage in all positions of the seat track, prior to further flight, re-align the seat tracks, in accordance with the applicable service bulletin specified in paragraph (a) of this AD.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

(d) The actions shall be done in accordance with Boeing Service Bulletin 737-25-1334, dated December 19, 1996; Boeing Service Bulletin 747-25-3132, dated December 19, 1996; Boeing Service Bulletin 757-25-0183, dated December 19, 1996; or Boeing Service Bulletin 767-25-0244, dated December 19, 1996. This incorporation by reference was

approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(e) This amendment becomes effective on July 31, 1997.

Issued in Renton, Washington, on July 9, 1997.

**Darrell M. Pederson,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 97-18502 Filed 7-15-97; 8:45 am]

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## INTERNATIONAL TRADE COMMISSION

### 19 CFR Part 201

### Debt Collection—Procedural Rules for Salary Offset, Administrative Offset, and Tax Refund Offset

**AGENCY:** International Trade Commission.

**ACTION:** Interim rules with request for comments.

**SUMMARY:** The U.S. International Trade Commission (the Commission) is issuing interim regulations setting forth procedures for the collection of debts owed the Commission. The Debt Collection Improvement Act of 1996, as well as earlier Federal statutes on debt collection, require agencies to promulgate regulations on this subject. In these interim regulations, the Commission sets forth the procedures it plans to follow in collecting debts through salary offset, administrative offset, and tax refund offset.

**DATES:** These regulations are effective July 16, 1997. Comments must be submitted on or before September 15, 1997.

**ADDRESSES:** Written comments (original and 14 copies) may be submitted to the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, D.C. 20436.

**FOR FURTHER INFORMATION CONTACT:** Gail S. Usher, Office of the General Counsel, telephone (202) 205-3152. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal at (202) 205-1810.

**SUPPLEMENTARY INFORMATION:****Background**

These rules take into account changes to the law made by the Debt Collection Improvement Act of 1996. Moreover, the rules are consistent with regulations on salary offset promulgated by the Office of Personnel Management (5 CFR part 550, subpart K); the Federal Claims Collection Standards (4 CFR part 102); and with regulations on tax refund offset promulgated by the Internal Revenue Service (26 CFR 301.6402-6).

In issuing these interim regulations, in addition to the legal authorities cited herein, the Commission is acting pursuant to 19 U.S.C. 1335 which authorizes the Commission to adopt such reasonable regulations as it deems necessary to carry out its functions and duties.

The Commission has determined that these rules are interpretative and pertain to agency practice and procedure. Accordingly, the rules are not subject to the notice and comment requirements of the Administrative Procedures Act (APA). 5 U.S.C. 553(b). Moreover, the Commission has an urgent need to have regulations in place. The Commission has outstanding debts that it seeks to collect through offset. As a consequence, the rules are exempt from the notice and comment requirements of the APA for the additional reason that providing the notice and comment period prior to having effective regulations in place would not be in the public interest. 5 U.S.C. 553(b).

For the same reasons, the rules can be made effective immediately. Specifically, the fact that the rules are interpretative and pertain to agency practice and procedure and that the Commission has an urgent need to have regulations in place to effect offset for debts currently pending excepts the agency from the APA's requirement that rules be published at least 30 days before their effective date. 5 U.S.C. 553(d).

While no notice and comment period is required prior to the issuance of the interim rules, the Commission does invite comments on these rules which it will take into consideration in promulgating its final rules.

**Salary Offset**

When an agency determines that an employee of the agency is indebted to the United States, or when the agency is notified of such a debt by another agency, the debt may be collected by deductions from the current pay account of the individual. 5 U.S.C. 5514(a)(1). Salary offset is a form of administrative offset governed by statute (5 U.S.C. 5514) and by regulations

issued by the Office of Personnel Management (5 CFR part 550, subpart K). The statute (5 U.S.C. 5514(b)(1)) requires agencies to promulgate their own regulations. Before final regulations can become effective, they must be approved by the Office of Personnel Management (5 CFR 550.1105(a)(1)).

**Administrative Offset**

Pursuant to 31 U.S.C. 3716, an agency may collect debts owed the agency through administrative offset. Under this method of collection, an agency collects a debt owed to it by an employee, organization, or entity by withholding money payable by the Government or held by the Government for the debtor. Generally, the offset is accomplished against monies other than salaries. Agencies must promulgate regulations on the procedures used in administrative offset. 4 CFR 102.3(b)(1).

**Tax Refund Offset**

Where collection by salary offset or administrative offset is not feasible, an agency must seek to recover monies owed the agency by requesting that the Department of the Treasury (Treasury) reduce a tax refund to a debtor by the amount of the debt and pay such monies to the agency. 31 U.S.C. 3720A; 26 CFR 301.6402-6. The IRS, which presently administers this program, requires that the agency promulgate its own regulations on salary offset, administrative offset, and tax refund offset. 26 CFR 301.6402-6(b). (See 31 U.S.C. 3720A(b)(4)).

**Executive Order 12866**

These interim rules are not classified as "significant rules" under Executive Order 12866 (58 FR 51735 (Oct. 4, 1994)) because they will not result in (1) an annual effect on the economy of \$100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or foreign markets. Accordingly, no regulatory impact assessment is required.

**Regulatory Flexibility Act**

Pursuant to 5 U.S.C. 605(b), the Commission hereby certifies that the rules set forth in this notice are not likely to have a significant economic impact on a substantial number of small business entities. This conclusion is premised on the past experience of the Commission of rarely having debts

owed to it. Moreover, those debts that have been owed to the Commission have generally been owed by individual persons, not business entities.

**Contract With America Advancement Act of 1996**

Pursuant to the Contract With America Advancement Act of 1996 (Pub. L. 104-121), the Commission has submitted a report to the General Accounting Office and to each House of Congress describing these debt collection regulations and attaching the text of the regulations.

**Paperwork Reduction Act**

These interim rules are not subject to section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501) since they do not contain any new information collection requirements.

**List of Subjects in 19 CFR Part 201**

Administrative practice and procedure; Debt collection.

For the reasons set out in the preamble, the U.S. International Trade Commission hereby amends 19 CFR part 201 by adding subpart H to read as follows:

**PART 201—RULES OF GENERAL APPLICATION****Sec****Subpart H—Debt Collection**

- 201.201 Definitions.
- 201.202 Purpose and scope of salary and administrative offset rules.
- 201.203 Delegation of authority.
- 201.204 Salary offset.
- 201.205 Salary adjustments.
- 201.206 Administrative offset.
- 201.207 Administrative offset against amounts payable from Civil Service Retirement and Disability Fund.
- 201.208 Tax refund offset.

**Authority:** 19 U.S.C. 1335; 5 U.S.C. 5514(b)(1); 31 U.S.C. 3716(b); 31 U.S.C. 3720A(b)(4); 4 CFR 102.3(b)(1); 26 CFR 301.6402-6(b).

**§ 201.201 Definitions.**

Except where the context clearly indicates otherwise or where the term is defined elsewhere in this section, the following definitions shall apply to this subpart.

(a) *Agency* means a department, agency, court, court administrative office, or instrumentality in the executive, judicial, or legislative branch of Government, including government corporations.

(b) *Certification* means a written statement received by a paying agency from a creditor agency that requests the paying agency to offset the salary of an employee and specifies that required

procedural protections have been afforded the employee.

(c) *Chairman* means the Chairman of the Commission.

(d) *Compromise* means the settlement or forgiveness of a debt.

(e) *Creditor agency* means an agency of the Federal government to which the debt is owed.

(f) *Director* means the Director, Office of Finance and Budget of the Commission or an official designated to act on the Director's behalf.

(g) *Disposable pay* means that part of current basic pay, special pay, incentive pay, retired pay, retainer pay, and, in the case of an employee not entitled to basic pay, other authorized pay, remaining for each pay period after the deduction of any amount required by law to be withheld. The Commission shall allow the following deductions in determining the amount of disposable pay that is subject to salary offset:

(1) Federal employment taxes;  
(2) Amounts mandatorily withheld for the United States Soldiers' and Airmen's Home;

(3) Fines and forfeiture ordered by a court-martial or by a commanding officer;

(4) Amounts deducted for Medicare;

(5) Federal, state, or local income taxes to the extent authorized or required by law, but no greater than would be the case if the employee claimed all dependents to which he or she is entitled and such additional amounts for which the employee presents evidence of a tax obligation supporting the additional withholding;

(6) Health insurance premiums;

(7) Normal retirement contributions, including employee contributions to the Thrift Savings Plan;

(8) Normal life insurance premiums (e.g., Serviceman's Group Life Insurance and "Basic Life" Federal Employee's Group Life Insurance premiums), not including amounts deducted for supplementary coverage.

(h) *Employee* means a current employee of the Commission or other agency, including a current member of the Armed Forces or a Reserve of the Armed Forces of the United States.

(i) *Federal Claims Collection Standards* (FCCS) means standards published at 4 CFR chapter II.

(j) *Hearing official* means an individual responsible for conducting any hearing with respect to the existence or amount of a debt claimed and for rendering a decision on the basis of such hearing. A hearing official may not be under the supervision or control of the Chairman when the Commission is the creditor agency but may be an administrative law judge.

(k) *Notice of Intent to Offset* or *Notice of Intent* means a written notice from a creditor agency to an employee, organization, or entity stating that the debtor is indebted to the creditor agency and apprising the debtor of certain procedural rights.

(l) *Notice of Salary Offset* means a written notice from the paying agency to an employee after a certification has been issued by a creditor agency, informing the employee that salary offset will begin at the next officially established pay interval.

(m) *Office of Finance and Budget* means the Office of Finance and Budget of the Commission.

(n) *Paying agency* means the agency of the Federal government that employs the individual who owes a debt to an agency of the Federal government. In some cases, the Commission may be both the creditor agency and the paying agency.

#### § 201.202 Purpose and scope of salary and administrative offset rules.

(a) *Purpose.* The purpose of §§ 201.201 through 201.207 is to implement 5 U.S.C. 5514, 31 U.S.C. 3716, and 31 U.S.C. 3720A which authorize the collection by salary offset, administrative offset, or tax refund offset of debts owed by persons, organizations, or entities to the Federal government. Generally, however, a debt may not be collected by such means if it has been outstanding for more than ten years after the agency's right to collect the debt first accrued. These proposed regulations are consistent with the Office of Personnel Management regulations on salary offset, codified at 5 CFR part 550, subpart K, and with regulations on administrative offset codified at 4 CFR part 102.

(b) *Scope.* (1) Sections 201.201 through 201.207 establish agency procedures for the collection of certain debts owed the Government.

(2) Sections 201.201 through 201.207 apply to collections by the Commission from:

(i) Federal employees who are indebted to the Commission;

(ii) Employees of the Commission who are indebted to other agencies; and

(iii) Other persons, organizations, or entities that are indebted to the Commission.

(3) Sections 201.201 through 201.207 do not apply:

(i) To debts or claims arising under the Internal Revenue Code of 1986 (26 U.S.C. et seq.), the Social Security Act (42 U.S.C. 301 et seq.), or the tariff laws of the United States;

(ii) To a situation to which the Contract Disputes Act (41 U.S.C. 601 et seq.) applies; or

(iii) In any case where collection of a debt is explicitly provided for or prohibited by another statute (e.g., travel advances in 5 U.S.C. 4108).

(4) Nothing in §§ 201.201 through 201.207 precludes the compromise, suspension, or termination of collection actions where appropriate under the standards implementing the Federal Claims Collection Act (31 U.S.C. 3711 et seq.), namely, 4 CFR chapter II.

#### § 201.203 Delegation of authority.

Authority to conduct the following activities is hereby delegated to the Director:

(a) Initiate and effectuate the administrative collection process;

(b) Accept or reject compromise offers and suspend or terminate collection actions where the claim does not exceed \$100,000 or such higher amount as the Chairman may from time to time prescribe, exclusive of interest, administrative costs, and penalties as provided herein, as set forth in 31 U.S.C. 3711(a)(2);

(c) Report to consumer reporting agencies certain data pertaining to delinquent debts;

(d) Use offset procedures to effectuate collection; and

(e) Take any other action necessary to facilitate and augment collection in accordance with the policies contained herein and as otherwise provided by law.

#### § 201.204 Salary offset.

(a) *Notice requirements before offset where the Commission is the creditor agency.* Deductions under the authority of 5 U.S.C. 5514 will not be made unless the Commission provides the employee with a written Notice of Intent to Offset a minimum of 30 calendar days before salary offset is initiated. The Notice of Intent shall state:

(1) That the Director has reviewed the records relating to the claim and has determined that a debt is owed;

(2) The Director's intention to collect the debt by means of deduction from the employee's current disposable pay account until the debt and all accumulated interest is paid in full;

(3) The amount of the debt and the facts giving rise to the debt;

(4) A repayment schedule that includes the amount, frequency, proposed beginning date, and duration of the intended deductions;

(5) The opportunity for the employee to propose an alternative written schedule for the voluntary repayment of the debt, in lieu of offset, on terms acceptable to the Commission. The employee shall include a justification in the request for the alternative schedule.

The schedule shall be agreed to and signed by both the employee and the Director;

(6) An explanation of the Commission's policy concerning interest, penalties, and administrative costs, including a statement that such assessments must be made unless excused in accordance with the Federal Claims Collection Standards;

(7) The employee's right to inspect and copy all records of the Commission not exempt from disclosure pertaining to the debt claimed or to receive copies of such records if the debtor is unable personally to inspect the records, due to geographical or other constraints;

(8) The name, address, and telephone number of the Director to whom requests for access to records relating to the debt must be sent;

(9) The employee's right to a hearing conducted by an impartial hearing official (an administrative law judge or other hearing official not under the supervision or control of the Chairman) with respect to the existence and amount of the debt claimed or the repayment schedule (i.e., the percentage of disposable pay to be deducted each pay period), so long as a request is filed by the employee as prescribed in paragraph (c)(1) of this section;

(10) The name, address, and telephone number of the Director to whom a proposal for voluntary repayment must be sent and who may be contacted concerning procedures for requesting a hearing;

(11) The method and deadline for requesting a hearing;

(12) That the timely filing of a request for a hearing on or before the 15th calendar day following receipt of the Notice of Intent will stay the commencement of collection proceedings;

(13) The name and address of the office to which the request should be sent;

(14) That the Commission will initiate certification procedures to implement a salary offset not less than 30 days from the date of receipt of the Notice of Intent to Offset, unless the employee files a timely request for a hearing;

(15) That a final decision on whether a hearing will be held (if one is requested) will be issued at the earliest practical date;

(16) That any knowingly false or frivolous statements, representations, or evidence may subject the employee to:

(i) Disciplinary procedures appropriate under 5 U.S.C. Chapter 75, 5 CFR part 752, or any other applicable statutes or regulations;

(ii) Penalties under the False Claims Act, 31 U.S.C. 3729–3731, or under any other applicable statutory authority; or

(iii) Criminal penalties under 18 U.S.C. 286, 287, 1001, and 1002 or under any other applicable statutory authority;

(17) Any other rights and remedies available to the employee under statutes or regulations governing the program for which the collection is being made;

(18) That unless there are applicable contractual or statutory provisions to the contrary, amounts paid on or deducted from debts that are later waived or found not to be owed to the United States will be promptly refunded to the employee; and

(19) That proceedings with respect to such debt are governed by 5 U.S.C. 5514.

(b) *Review of Commission records related to the debt.* (1) An employee who desires to inspect or copy Commission records related to a debt owed to the Commission must send a letter to the Director as designated in the Notice of Intent requesting access to the relevant records. The letter must be received in the office of the Director within 15 calendar days after the employee's receipt of the Notice of Intent.

(2) In response to a timely request submitted by the debtor, the Director will notify the employee of the location and time when the employee may inspect and copy records related to the debt.

(3) If the employee is unable personally to inspect the records, due to geographical or other constraints, the Director shall arrange to send copies of such records to the employee.

(c) *Opportunity for a hearing where the Commission is the creditor agency.*—(1) *Request for a hearing.* (i) An employee who requests a hearing on the existence or amount of the debt held by the Commission or on the offset schedule proposed by the Commission must send such request to the Director. The request for a hearing must be received by the Director on or before the 15th calendar day following receipt by the employee of the notice.

(ii) The employee must specify whether an oral hearing is requested. If an oral hearing is desired, the request should explain why the matter cannot be resolved by review of the documentary evidence alone. The request must be signed by the employee and must fully identify and explain with reasonable specificity all the facts, evidence, and witnesses, if any, that the employee believes support his or her position.

(2) *Failure to timely submit.* If the employee files a request for hearing after the expiration of the 15-calendar-day period provided for in paragraph (c)(1) of this section, the Director may accept the request if the employee can show that the delay was the result of circumstances beyond his or her control or that he or she failed to receive actual notice of the filing deadline.

(3) *Obtaining the services of a hearing official.* (i) When the debtor is not a Commission employee and the Commission cannot provide a prompt and appropriate hearing before an administrative law judge or other hearing official, the Commission may request a hearing official from an agent of the paying agency, as designated in 5 CFR part 581, appendix A, or as otherwise designated by the paying agency.

(ii) When the debtor is a Commission employee, the Commission may contact any agent of another agency, as designated in 5 CFR part 581, appendix A, or as otherwise designated by the agency, to request a hearing official.

(4) *Procedure.* (i) *Notice.* After the employee requests a hearing, the hearing official shall notify the employee of the form of the hearing to be provided. If the hearing will be oral, the notice shall set forth the date, time, and location of the hearing, which must occur no more than 30 calendar days after the request is received, unless the employee requests that the hearing be delayed. If the hearing will be conducted by examination of documents, the employee shall be notified within 30 calendar days that he or she should submit evidence and arguments in writing to the hearing official.

(ii) *Oral hearing.* An employee who requests an oral hearing shall be provided an oral hearing if the hearing official determines that the matter cannot be resolved by review of documentary evidence alone (e.g., when an issue of credibility or veracity is involved). The hearing need not be an adversarial adjudication, and rules of evidence need not apply. Witnesses who testify in oral hearings shall do so under oath or affirmation. Oral hearings may take the form of, but are not limited to:

(A) Informal conferences with the hearing official in which the employee and agency representative are given full opportunity to present evidence, witnesses, and argument;

(B) Informal meetings in which the hearing examiner interviews the employee; or

(C) Formal written submissions followed by an opportunity for oral presentation.

(iii) *Documentary hearing.* If the hearing official determines that an oral hearing is not necessary, he or she shall make the determination based upon a review of the written record.

(iv) *Record.* The hearing official shall maintain a summary record of any hearing conducted under this section.

(5) *Date of decision.* The hearing official shall issue a written opinion stating his or her decision, based upon all evidence and information developed at the hearing, as soon as practicable after the hearing, but not later than 60 calendar days after the date on which the request was received by the Commission, unless the hearing was delayed at the request of the employee, in which case the 60 day decision period shall be extended by the number of days by which the hearing was postponed. The decision of the hearing official shall be final.

(6) *Content of decision.* The written decision shall include:

(i) A summary of the facts concerning the origin, nature, and amount of the debt;

(ii) The hearing official's findings, analysis, and conclusions; and

(iii) The terms of any repayment schedules, if applicable.

(7) *Failure to appear.* If, in the absence of good cause shown (e.g., illness), the employee or the representative of the Commission fails to appear, the hearing official shall proceed with the hearing as scheduled, and make his or her determination based upon the oral testimony presented and the documentation submitted by both parties. At the request of both parties, the hearing official may schedule a new hearing date. Both parties shall be given reasonable notice of the time and place of this new hearing.

(d) *Certification where the Commission is the creditor agency.* (1) The Director shall issue a certification in all cases where:

(i) The hearing official determines that a debt exists; or

(ii) The employee admits the existence and amount of the debt, for example, by failing to request a hearing.

(2) The certification must be in writing and must state:

(i) That the employee owes the debt;

(ii) The amount and basis of the debt;

(iii) The date the Government's right to collect the debt first accrued;

(iv) That the Commission's regulations have been approved by OPM pursuant to 5 CFR part 550, subpart K;

(v) If the collection is to be made by lump-sum payment, the amount and date such payment will be collected;

(vi) If the collection is to be made in installments, the number of installments to be collected, the amount of each installment, and the date of the first installment, if a date other than the next officially established pay period; and

(vii) The date the employee was notified of the debt, the action(s) taken pursuant to the Commission's regulations, and the dates such actions were taken.

(e) *Voluntary repayment agreements as alternative to salary offset where the Commission is the creditor agency.* (1) In response to a Notice of Intent, an employee may propose to repay the debt in accordance with scheduled installment payments. Any employee who wishes to repay a debt without salary offset shall submit in writing a proposed agreement to repay the debt. The proposal shall set forth a proposed repayment schedule. Any proposal under paragraph (e) of this section must be received by the Director within 15 calendar days after receipt of the Notice of Intent.

(2) In response to a timely proposal by the debtor, the Director shall notify the employee whether the employee's proposed written agreement for repayment is acceptable. It is within the discretion of the Director to accept, reject, or propose to the debtor a modification of the proposed repayment agreement.

(3) If the Director decides that the proposed repayment agreement is unacceptable, the employee shall have 15 calendar days from the date he or she received notice of the decision in which to file a request for a hearing.

(4) If the Director decides that the proposed repayment agreement is acceptable or the debtor agrees to a modification proposed by the Director, the agreement shall be put in writing and signed by both the employee and the Director.

(f) *Special review where the Commission is the creditor agency.* (1) An employee subject to salary offset or a voluntary repayment agreement may, at any time, request a special review by the Director of the amount of the salary offset or voluntary payment, based on materially changed circumstances, including, but not limited to, catastrophic illness, divorce, death, or disability.

(2) In determining whether, as a result of materially changed circumstances, an offset would prevent the employee from meeting essential subsistence expenses (costs incurred for food, housing, clothing, transportation, and medical

care), the employee shall submit to the Director a detailed statement and supporting documents for the employee, his or her spouse, and dependents indicating:

(i) Income from all sources;

(ii) Assets;

(iii) Liabilities;

(iv) Number of dependents;

(v) Expenses for food, housing, clothing, and transportation;

(vi) Medical expenses; and

(vii) Exceptional expenses, if any.

(3) If the employee requests a special review under paragraph (f) of this section, the employee shall file an alternative proposed offset or payment schedule and a statement, with supporting documents, showing why the current salary offset or payments result in extreme financial hardship to the employee.

(4) The Director shall evaluate the statement and supporting documents and determine whether the original offset or repayment schedule imposes extreme financial hardship on the employee. The Director shall notify the employee in writing within 30 calendar days of such determination, including, if appropriate, his or her acceptance of a revised offset or payment schedule.

(5) If the special review results in a revised offset or repayment schedule, the Director shall provide a new certification to the paying agency.

(g) *Notice of salary offset where the Commission is the paying agency.* (1) Upon issuance of a proper certification by the Director (for debts owed to the Commission) or upon receipt of a proper certification from another creditor agency, the Office of Finance and Budget shall send the employee a written notice of salary offset. Such notice shall advise the employee:

(i) Of the certification that has been issued by the Director or received from another creditor agency;

(ii) Of the amount of the debt and of the deductions to be made; and

(iii) Of the initiation of salary offset at the next officially established pay interval or as otherwise provided for in the certification.

(2) The Office of Finance and Budget shall provide a copy of the notice to the creditor agency and advise such agency of the dollar amount to be offset and the pay period when the offset will begin.

(h) *Procedures for salary offset where the Commission is the paying agency.*— (1) *Generally.* (i) The Director shall coordinate salary deductions under this section.

(ii) The Director shall determine the amount of an employee's disposable pay and the amount of the salary offset subject to the requirements in this paragraph.

(iii) Deductions shall begin the pay period following the issuance of the certification by the Director or the receipt by the Office of Finance and Budget of the certification from another agency or as soon thereafter as possible.

(2) *Types of collection.*—(i) *Lump-sum payment.* If the amount of the debt is equal to or less than 15 percent of the employee's disposable pay, such debt ordinarily will be collected in one lump-sum payment.

(ii) *Installment deductions.* Installment deductions will be made over a period not greater than the anticipated period of employment. The size and frequency of installment deductions will bear a reasonable relation to the size of the debt and the employee's ability to pay. However, the amount deducted for any pay period will not exceed 15 percent of the disposable pay from which the deduction is made unless the employee has agreed in writing to the deduction of a greater amount. The installment payment should normally be sufficient in size and frequency to liquidate the debt in no more than three years. Installment payments of less than \$50 should be accepted only in the most unusual circumstances.

(iii) *Lump-sum deductions from final check.* In order to liquidate a debt, a lump-sum deduction exceeding 15 percent of disposable pay may be made pursuant to 31 U.S.C. 3716 from any final salary payment due a former employee, whether the former employee was separated voluntarily or involuntarily.

(iv) *Lump-sum deductions from other sources.* Whenever an employee subject to salary offset is separated from the Commission, and the balance of the debt cannot be liquidated by offset of the final salary check, the Commission, pursuant to 31 U.S.C. 3716, may offset any later payments of any kind to the former employee to collect the balance of the debt.

(3) *Multiple debts.* Where two or more creditor agencies are seeking salary offset, or where two or more debts are owed to a single creditor agency, the Office of Finance and Budget may, at its discretion, determine whether one or more debts should be offset simultaneously within the 15 percent limitation.

(4) *Order of precedence for recovery of debts owed the Government.* (i) For Commission employees, subject to paragraph (h)(3) of this section and (paragraph (h)(4)(ii) of this section, offsets to recover debts owed the United States Government shall be made from disposable pay in the following order of precedence:

(A) Indebtedness due the Commission;

(B) Indebtedness due other agencies.

(ii) In the event that a debt to the Commission is certified while an employee is subject to salary offset to repay another agency, the Office of Finance and Budget may, at its discretion, determine whether the debt to the Commission should be repaid before the debt to the other agency, repaid simultaneously, or repaid after the debt to the other agency.

(iii) A levy pursuant to the Internal Revenue Code of 1986 shall take precedence over other deductions under this section, as provided in 5 U.S.C. 5514(d).

(i) *Coordinating salary offset with other agencies.*—(1) *Responsibility of the Commission as the creditor agency.*

(i) The Director shall be responsible for:

(A) Arranging for a hearing upon proper request by a Federal employee;

(B) Preparing the Notice of Intent to Offset consistent with the requirements of paragraph (a) of this section;

(C) Obtaining hearing officials from other agencies pursuant to paragraph (c)(3) of this section; and

(D) Ensuring that each certification of debt is sent to a paying agency pursuant to paragraph (d)(2) of this section.

(ii) Upon completion of the procedures established in paragraphs (a) through (f) of this section, the Director shall submit a certified debt claim and an installment agreement or other instruction on the payment schedule, if applicable, to the employee's paying agency.

(iii) If the employee is in the process of separating from Government employment, the Commission shall submit its debt claim to the employee's paying agency for collection by lump-sum deduction from the employee's final check. The paying agency shall certify the total amount of its collection and furnish a copy of the certification to the Commission and to the employee.

(iv) If the employee is already separated and all payments due from his or her former paying agency have been paid, the Commission may, unless otherwise prohibited, request that money due and payable to the employee from the Federal Government be administratively offset to collect the debt.

(v) When an employee transfers to another paying agency, the Commission shall not repeat the procedures described in paragraphs (a) through (f) of this section in order to resume collecting the debt. Instead, the Commission shall review the debt upon receiving the former paying agency's notice of the employee's transfer and

shall ensure that collection is resumed by the new paying agency.

(2) *Responsibility of the Commission as the paying agency.*—(i) *Complete claim.* When the Commission receives a certified claim from a creditor agency, the employee shall be given written notice of the certification, the date salary offset will begin, and the amount of the periodic deductions. Deductions shall be scheduled to begin at the next officially established pay interval or as otherwise provided for in the certification.

(ii) *Incomplete claim.* When the Commission receives an incomplete certification of debt from a creditor agency, the Commission shall return the debt claim with notice that procedures under 5 U.S.C. 5514 and 5 CFR 550.1104 must be followed and that a properly certified debt claim must be received before action will be taken to collect from the employee's current pay account.

(iii) *Review.* The Commission is not authorized to review the merits of the creditor agency's determination with respect to the amount or validity of the debt certified by the creditor agency.

(iv) *Employees who transfer from one paying agency to another agency.* If, after the creditor agency has submitted the debt claim to the Commission, the employee transfers to an agency outside the Commission before the debt is collected in full, the Commission must certify the total amount collected on the debt. One copy of the certification shall be furnished to the employee and one copy shall be sent to the creditor agency along with notice of the employee's transfer. If the Commission is aware that the employee is entitled to payments from the Civil Service Retirement and Disability Fund, or other similar payments, it must provide written notification to the agency responsible for making such payments that the debtor owes a debt (including the amount) and that the requirements set forth herein and in the Office of Personnel Management's regulation (5 CFR part 550) have been fully met.

(j) *Interest, Penalties, and Administrative Costs.* Where the Commission is the creditor agency, it shall assess interest, penalties, and administrative costs pursuant to 31 U.S.C. 3717 and 4 CFR 102.13.

(k) *Refunds.* (1) Where the Commission is the creditor agency, it shall promptly refund any amount deducted under the authority of 5 U.S.C. 5514 when:

(i) The debt is compromised or otherwise found not to be owing to the United States; or

(ii) An administrative or judicial order directs the Commission to make a refund.

(2) Unless required by law or contract, refunds under this paragraph (k) shall not bear interest.

(l) *Request from a creditor agency for the services of a hearing official.* (1) The Commission may provide a hearing official upon request of the creditor agency when the debtor is employed by the Commission and the creditor agency cannot provide a prompt and appropriate hearing before a hearing official furnished pursuant to another lawful arrangement.

(2) The Commission may provide a hearing official upon request of a creditor agency when the debtor works for the creditor agency and that agency cannot arrange for a hearing official.

(3) The Director shall arrange for qualified personnel to serve as hearing officials.

(4) Services rendered under this paragraph (l) shall be provided on a fully reimbursable basis pursuant to 31 U.S.C. 1535.

(m) *Non-waiver of rights by payments.* A debtor's payment, whether voluntary or involuntary, of all or any portion of a debt being collected pursuant to this section shall not be construed as a waiver of any rights that the debtor may have under any statute, regulation, or contract except as otherwise provided by law or contract.

(n) *Exception to due process procedures.* The procedures set forth in this section shall not apply to adjustments described in 5 U.S.C. 5514(a)(3).

#### § 201.205 Salary adjustments.

Any negative adjustment to pay arising out of an employee's election of coverage, or a change in coverage, under a Federal benefits program requiring periodic deductions from pay shall not be considered collection of a "debt" for the purposes of this section if the amount to be recovered was accumulated over four pay periods or less. In such cases, the Commission need not comply with § 201.204, but it will provide a clear and concise statement in the employee's earnings statement advising the employee of the previous overpayment at the time the adjustment is made.

#### § 201.206 Administrative offset.

(a) *Collection.* The Director may collect a claim pursuant to 31 U.S.C. 3716 from a person, organization, or entity other than an agency of the United States Government by administrative offset of monies payable by the Government. Collection by

administrative offset shall be undertaken where the claim is certain in amount, where offset is feasible and desirable and not otherwise prohibited, where the applicable statute of limitations has not expired, and where the offset is in the best interest of the United States.

(b) *Offset prior to completion of procedures.* Prior to the completion of the procedures described in paragraph (c) of this section, the Commission may effect offset if:

(1) Failure to offset would substantially prejudice the Commission's ability to collect the debt; and

(2) The time before the payment is to be made does not reasonably permit completion of the procedures described in paragraph (c) of this section. Such prior offsetting shall be followed promptly by the completion of the procedures described in paragraph (c) of this section.

(c) *Debtor's rights.* (1) Unless the procedures described in paragraph (b) of this section are used, prior to collecting any claim by administrative offset or referring such claim to another agency for collection through administrative offset, the Director shall provide the debtor with the following:

(i) Written notification of the nature and amount of the claim, the intention of the Director to collect the claim through administrative offset, and a statement of the rights of the debtor under this paragraph;

(ii) An opportunity to inspect and copy the records of the Commission not exempt from disclosure with respect to the claim;

(iii) An opportunity to have the Commission's determination of indebtedness reviewed by the Director. Any request for review by the debtor shall be in writing and be submitted to the Commission within 30 calendar days of the date of the notice of the offset. The Director may waive the time limit for requesting review for good cause shown by the debtor. The Commission shall provide the debtor with a reasonable opportunity for an oral hearing when:

(A) An applicable statute authorizes or requires the Commission to consider waiver of the indebtedness involved, the debtor requests waiver of the indebtedness, and the waiver determination turns on an issue of credibility or veracity; or

(B) The debtor requests reconsideration of the debt and the Commission determines that the question of the indebtedness cannot be resolved by review of the documentary evidence, for example, when the

validity of the debt turns on an issue of credibility or veracity. Unless otherwise required by law, an oral hearing under this section is not required to be a formal evidentiary hearing, although the Commission shall document all significant matters discussed at the hearing. In those cases where an oral hearing is not required by this section, the Commission shall nevertheless accord the debtor a "paper hearing," (i.e., the Commission will make its determination on the request for waiver or reconsideration based upon a review of the written record); and

(iv) An opportunity to enter into a written agreement for the repayment of the amount of the claim at the discretion of the Commission.

(2) If the procedures described in paragraph (b) of this section are employed, the procedures described in this paragraph shall be effected after offset.

(d) *Interest.* Pursuant to 31 U.S.C. 3717 and 4 CFR 102.3, the Commission shall assess interest, penalties and administrative costs on debts owed to the United States. The Commission is authorized to assess interest and related charges on debts that are not subject to 31 U.S.C. 3717 to the extent authorized under the common law or other applicable statutory authority.

(e) *Refunds.* Amounts recovered by offset but later found not to be owed to the Government shall be promptly refunded.

(f) *Requests for offset to other Federal agencies.* The Director may request that a debt owed to the Commission be administratively offset against funds due and payable to a debtor by another Federal agency. In requesting administrative offset, the Commission, as creditor, will certify in writing to the Federal agency holding funds of the debtor:

(1) That the debtor owes the debt;

(2) The amount and basis of the debt; and

(3) That the Commission has complied with the requirements of its own administrative offset regulations and the applicable provisions of 4 CFR part 102 with respect to providing the debtor with due process.

(g) *Requests for offset from other Federal agencies.* Any Federal agency may request that funds due and payable to its debtor by the Commission be administratively offset in order to collect a debt owed to such Federal agency by the debtor. The Commission shall initiate the requested offset only upon:

(1) Receipt of written certification from the creditor agency;

(i) That the debtor owes the debt;

(ii) The amount and basis of the debt;  
 (iii) That the agency has prescribed regulations for the exercise of administrative offset; and

(iv) That the agency has complied with its own administrative offset regulations and with the applicable provisions of 4 CFR part 102, including providing any required hearing or review.

(2) A determination by the Commission that collection by offset against funds payable by the Commission would be in the best interest of the United States as determined by the facts and circumstances of the particular case and that such offset would not otherwise be contrary to law.

**§ 201.207 Administrative offset against amounts payable from Civil Service Retirement and Disability Fund**

(a) Unless otherwise prohibited by law, the Commission may request that moneys which are due and payable to a debtor from the Civil Service Retirement and Disability Fund be administratively offset in reasonable amounts in order to collect in one full payment or a minimal number of payments debt owed to the Commission by the debtor. Such requests shall be made to the appropriate officials of the Office of Personnel Management in accordance with such regulations as may be prescribed by the Director of that Office.

(b) When making a request for administrative offset under paragraph (a) of this section, the Commission shall include a written certification that:

(1) The debtor owes the Commission a debt, including the amount of the debt;

(2) The Commission has complied with the applicable statutes, regulations, and procedures of the Office of Personnel Management; and

(3) The Commission has complied with the requirements of 4 CFR 102.3, including any required hearing or review.

(c) Once the Commission decides to request administrative offset under paragraph (a) of this section, it shall make the request as soon as practical after completion of the applicable procedures. This will satisfy any requirement that offset be initiated prior to expiration of the applicable statute of limitations. At such time as the debtor makes a claim for payments from the Fund, if at least a year has elapsed since the offset request was originally made, the debtor shall be permitted to offer a satisfactory repayment plan in lieu of offset upon establishing that changed

financial circumstances would render the offset unjust.

(d) If the Commission collects part or all of the debt by other means before deductions are made or completed pursuant to paragraph (a) of this section, the Commission shall act promptly to modify or terminate its request for offset under paragraph (a) of this section.

**§ 201.208 Tax refund offset.**

(a) *Scope.* The provisions of 26 U.S.C. 6402(d) and 31 U.S.C. 3720A authorize the Secretary of the Treasury to offset a delinquent debt owed to the United States Government from the tax refund due a taxpayer when other collection efforts have failed to recover the amount due.

(b) *Definitions.*—(1) *Debt.* Debt means money owed by an individual, organization or entity from sources which include loans insured or guaranteed by the United States and all other amounts due the United States from fees, leases, services, overpayments, civil and criminal penalties, damages, interest, fines, administrative costs, and all other similar sources. A debt becomes eligible for tax refund offset procedures if:

(i) It cannot currently be collected pursuant to the salary offset procedures of 5 U.S.C. 5514(a)(1);

(ii) the debt is ineligible for administrative offset under 31 U.S.C. 3716(a) by reason of 31 U.S.C. 3716(c)(2) or cannot currently be collected by administrative offset under 31 U.S.C. 3716(a); and

(iii) the requirements of this section are otherwise satisfied.

(2) *Dispute.* A dispute is a written statement supported by documentation or other evidence that all or part of an alleged debt is not past due or legally enforceable, that the amount is not the amount currently owed, that the outstanding debt has been satisfied, or, in the case of a debt reduced to judgment, that the judgment has been satisfied or stayed.

(3) *Notice.* Notice means the information sent to the debtor pursuant to § 201.208(d). The date of the notice is the date shown on the notice letter as its date of issuance.

(4) *Past due.* All judgment debts are past due for purposes of this section. Such debts remain past due until paid in full.

(c) The Commission may refer any past due, legally enforceable non-judgment debt of an individual, organization or entity to Treasury for offset if the Commission's or the referring agency's rights of action accrued more than three months but less than ten years before the offset is made.

Debts reduced to judgment may be referred at any time. Debts in amounts lower than \$25.00 are not subject to referral.

(d) The Commission will provide the debtor with written notice of its intent to offset before initiating the offset. Notice will be mailed to the debtor at the current address of the debtor, as determined from information obtained from the IRS pursuant to 26 U.S.C. 6103(m)(2), (4), (5) or from information regarding the debt maintained by the Commission. The notice sent to the debtor will state the amount of the debt and inform the debtor that:

(1) The debt is past due;  
 (2) The Commission intends to refer the debt to Treasury for offset from tax refunds that may be due to the taxpayer;

(3) The Commission intends to provide information concerning the delinquent debt exceeding \$100 to a consumer reporting bureau unless such debt has already been disclosed; and

(4) The debtor has 65 calendar days from the date of notice in which to present evidence that all or part of the debt is not past due, that the amount is not the amount currently owed, that the outstanding debt has been satisfied, or, if a judgment debt, that the debt has been satisfied, or stayed, before the debt is reported to a consumer reporting agency, if applicable, and referred to Treasury for offset from tax refunds.

(e) If the debtor neither pays the amount due nor presents evidence that the amount is not past due or is satisfied or stayed, the Commission will report the debt to a consumer reporting agency at the end of the notice period, if applicable, and refer the debt to Treasury for offset from the taxpayer's federal tax refund. The Commission shall certify to Treasury that reasonable efforts have been made by the Commission to obtain payment of such debt.

(f) A debtor may request a review by the Commission if the debtor believes that all or part of the debt is not past due or is not legally enforceable, or, in the case of a judgment debt, that the debt has been stayed or the amount satisfied, as follows:

(1) The debtor must send a written request for review to the Director at the address provided in the notice.

(2) The request must state the amount disputed and the reasons why the debtor believes that the debt is not past due, is not legally enforceable, has been satisfied, or, if a judgment debt, has been satisfied or stayed.

(3) The request must include any documents that the debtor wishes to be considered or state that additional

information will be submitted within the time permitted.

(4) If the debtor wishes to inspect records establishing the nature and amount of the debt, the debtor must make a written request to the Director for an opportunity for such an inspection. The office holding the relevant records not exempt from disclosure shall make them available for inspection during normal business hours within one week from the date of receipt of the request.

(5) The request for review and any additional information submitted pursuant to the request must be received by the Director at the address stated in the notice within 65 calendar days of the date of issuance of the notice.

(6) The Commission will review disputes and shall consider its records and any documentation and arguments submitted by the debtor. The Commission's decision to refer to Treasury any disputed portion of the debt shall be made by the Chairman. The Commission shall send a written notice of its decision to the debtor. There is no administrative appeal of this decision.

(7) If the evidence presented by the debtor is considered by a non-Commission agent or other entities or persons acting on the Commission's behalf, the debtor will be accorded at least 30 calendar days from the date the agent or other entity or person determines that all or part of the debt is past-due and legally enforceable to request review by an officer or employee of the Commission of any unresolved dispute.

(8) Any debt that previously has been reviewed pursuant to this section or any other section of this subpart, or that has been reduced to a judgment, may not be disputed except on the grounds of payments made or events occurring subsequent to the previous review or judgment.

(g) The Commission will notify Treasury of any change in the amount due promptly after receipt of payments or notice of other reductions.

(h) In the event that more than one debt is owed, the tax refund offset procedure will be applied in the order in which the debts became past due.

Issued: July 10, 1997.

By order of the Commission.

**Donna R. Koehnke,**  
Secretary.

[FR Doc. 97-18696 Filed 7-15-97; 8:45 am]

BILLING CODE 7020-02-P

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

#### 21 CFR Part 814

[Docket No. 91N-0404]

RIN 0910-AA09

#### Medical Devices; Humanitarian Use Devices; Lift of Stay of Effective Date

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Final rule; lift of stay of effective date.

**SUMMARY:** The Food and Drug Administration (FDA) is lifting a stay of the effective date of certain provisions in a final rule on humanitarian use devices. The Office of Management and Budget (OMB) has approved the collection of information requirements contained in the final rule, and they are now effective.

**EFFECTIVE DATE:** July 16, 1997.

#### FOR FURTHER INFORMATION CONTACT:

Joseph M. Sheehan, Center for Devices and Radiological Health (HFZ-215), Food and Drug Administration, 1350 Piccard Dr., Rockville, MD 20850, 301-827-2974.

**SUPPLEMENTARY INFORMATION:** In the **Federal Register** of June 26, 1996 (61 FR 33232), FDA published a final rule prescribing the procedures for submitting humanitarian device exemption (HDE) applications, amendments, and supplements; procedures for obtaining an extension of the exemption; and the criteria for FDA review and approval of HDE's.

In the final rule (61 FR 33232 at 33243), FDA requested comments on the collection of information requirements contained in the final rule by August 26, 1996. FDA received no comments in response to this request. In the **Federal Register** of October 29, 1996 (61 FR 55804), FDA announced that the information collection requirements contained in the final rule had been submitted to OMB for approval under the Paperwork Reduction Act of 1995 (Pub. L. 104-13).

In a separate document also published on October 29, 1996 (61 FR 55741), FDA announced that it was staying the effective date of the information collection requirements pending OMB clearance for §§ 814.102, 814.104, 814.106, 814.108, 814.110(a), 814.112(b), 814.116(b), 814.118(d), 814.120(b), 814.124(b), and 814.126(b)(1).

On November 25, 1996, OMB sent FDA a notice of action stating that the

collection of information requirements are approved for use through November 30, 1999, under OMB control No. 0910-0332. FDA announced OMB approval of the collection of information provisions in the **Federal Register** of January 22, 1997 (62 FR 3297).

Therefore, under secs. 201-903 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321-393) and under authority delegated to the Commissioner of Food and Drugs, the stay for §§ 814.102, 814.104, 814.106, 814.108, 814.110(a), 814.112(b), 814.116(b), 814.118(d), 814.120(b), 814.124(b) and 814.126(b)(1) that was published in the **Federal Register** of October 29, 1996 (61 FR 55742) is lifted and these provisions are effective July 16, 1997.

Dated: June 17, 1997.

**William K. Hubbard,**

Associate Commissioner for Policy Coordination.

[FR Doc. 97-18596 Filed 7-15-97; 8:45 am]

BILLING CODE 4160-01-F

## INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

### Agency for International Development

#### 22 CFR Part 201

[A.I.D. Reg. 1]

RIN 0412-AA-33

#### Rules and Procedures Applicable to Commodity Transactions Financed by A.I.D.: Source, Origin and Nationality

**AGENCY:** Agency for International Development, IDCA.

**ACTION:** Final rule.

**SUMMARY:** The U.S. Agency for International Development (USAID) is amending its Regulation 1 to replace the coverage on source, origin and nationality of commodities and commodity-related services with references to the "Rules on Source, Origin and Nationality For Commodities and Services" in part 228 of chapter II of Title 22 of the Code of Federal Regulations. Also, the acronym "USAID" is replacing "A.I.D." throughout the regulation.

**EFFECTIVE DATE:** August 15, 1997.

#### FOR FURTHER INFORMATION CONTACT:

Kathleen J. O'Hara, Office of Procurement, Procurement Policy Division (M/OP/PP), USAID, Room 1600 A, Washington, DC 20523-1435. Telephone (703) 875-1534, facsimile (703) 875-1243.

**SUPPLEMENTARY INFORMATION:** USAID published a notice of proposed