

on December 12, 1997 (TXXX-97268). (The supplement contains clarifying information and does not change the staff's original proposed no significant hazards determination.)

**Brief description of amendments:** The amendments change Technical Specification 3.3-3, "Engineered Safety Features Actuation System Instrumentation Trip Setpoints." The proposed changes would increase the minimum allowable value of the Unit 1 Steam Line Pressure—Low Safety Injection and Steam Line Isolation functions. These changes are needed to ensure that the instrumentation error is properly accounted for in the TSs.

**Date of issuance:** December 30, 1997.

**Effective date:** December 30, 1997, to be implemented within 30 days.

**Amendment Nos.:** Unit 1—Amendment No. 56; Unit 2—Amendment No. 42.

**Facility Operating License Nos. NPF-87 and NPF-89:** The amendments revised the Technical Specifications.

**Date of initial notice in Federal Register:** February 12, 1997 (62 FR 6579) The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated December 30, 1997.

**No significant hazards consideration comments received:** No.

**Local Public Document Room location:** University of Texas at Arlington Library, Government Publications/Maps, 702 College, P.O. Box 19497, Arlington, TX 76019.

Dated at Rockville, Maryland, this 7th day of January 1998.

For the Nuclear Regulatory Commission.

**Elinor G. Adensam,**

*Acting Director, Division of Reactor Projects—III/IV, Office of Nuclear Reactor Regulation.*  
[FR Doc. 98-753 Filed 1-13-98; 8:45 am]

BILLING CODE 7590-13-P

## OFFICE OF MANAGEMENT AND BUDGET

### Proposed Revision of OMB Circular A-97

**AGENCY:** Office of Management and Budget, Executive Office of the President.

**ACTION:** Proposed revision of OMB Circular A-97.

**SUMMARY:** The Office of Management and Budget requests agency and public comments on a proposed revision of OMB Circular No. A-97, "Rules and Regulations Permitting Federal Agencies to Provide Specialized or Technical Services to State and Local Units of Government, Under Title III of the

Intergovernmental Cooperation Act of 1968." The proposed revision establishes and updates Circular A-97 requirements with regard to the provision or receipt of commercial support services to or from Federal agencies and State and local governments. Circular A-97 was issued on April 29, 1969, and was last revised on March 27, 1981.

**DATES:** Agency and public comments are due to the Office of Management and Budget (OMB) not later than March 16, 1998.

**ADDRESSES:** Written comments should be sent to the Budget Analysis and Systems Division, NEOB Room 6002, Office of Management and Budget, 725 17th Street, N.W., Washington, D.C. 20503. FAX terminal comments may be sent to (202) 395-7230.

**AVAILABILITY:** Copies of Circular A-97 may be obtained by contacting The Executive Office of the President, Office of Administration, Publications Office, Washington, D.C. 20503, at (202) 395-7332.

**FOR FURTHER INFORMATION CONTACT:** The Budget Analysis and Systems Division, NEOB Room 6002, Office of Management and Budget, 725 17th Street, N.W., Washington, D.C. 20503, Telephone Number: (202) 395-6104, FAX Number (202) 395-7230.

**BACKGROUND:** Circular A-97 has become an integral part of the Federal privatization and outsourcing discussion. Federal support to meet State and local workload requirements has been suggested for a wide range of commercial services, including payroll services, background investigations services, leasing management, fleet management, geodetic and mapping services, prison requirements and health care services. Economies of scale, similarities of purpose and approach, and the possibility of a partnership to meet common data requirements suggest there may be opportunities for Federal or State and local taxpayer savings. On the other hand, special care must be taken to ensure that the Federal Government does not, unnecessarily, become a reimbursable competitor with or otherwise displace private sector, State or local employees. To address these concerns, OMB has prepared a revised and updated Circular A-97. OMB requests comments on this revision.

**Franklin D. Raines,**  
*Director.*

### To the Heads of Executive Departments and Establishments

**Subject:** Rules and regulations permitting Federal agencies to

provide specialized or technical services to State and local units of government under Title III of the Intergovernmental Cooperation Act of 1968

#### 1. Purpose

This Circular promulgates the rules and regulations that the Director of the Office of Management and Budget (OMB) is authorized to issue pursuant to Section 302 of the Intergovernmental Cooperation Act of 1968 (Pub. L. 90-577; 82 Stat. 1102). It also provides for the coordination of the action of Federal departments and agencies (hereinafter referred to as "Federal agencies") in exercising the authority contained in Title III of said Act as directed by the President's Memorandum of November 8, 1968 (33 FR 16487).

#### 2. Background

a. Title III of the Intergovernmental Cooperation Act of 1968 is intended to:

1. Encourage intergovernmental cooperation in the conduct of specialized or technical services and provision of facilities essential to the administration of State or local governmental activities.

2. Enable State and local governments to avoid unnecessary duplication of special service functions.

3. Authorize Federal agencies that do not have such authority to provide reimbursable specialized and technical services to State and local governments.

b. Title III of the Act authorizes the head of any Federal agency, upon a written request from a State or political subdivision thereof, to provide specialized or technical services, upon payment to the Federal agency by the unit of government making the request, of salaries and all other identifiable direct and indirect costs of performing such services. These costs shall be established in accordance with all applicable statements of Federal financial accounting standards.

c. Title III of the Act requires that:

1. Any services provided pursuant to Title III shall include only those that the Director of the Office of Management and Budget through rules and regulations determines Federal agencies have special or unique competence to provide.

2. The Director's rules and regulations shall be consistent with, and in furtherance of, the Government's policy of relying on the private enterprise system to provide those services that are reasonably and expeditiously available through ordinary business channels.

3. All moneys received by any Federal agency in payment of furnishing specialized and technical services under

Title III of the Act shall be deposited to the credit of the principal appropriation, franchise or working capital fund from which the cost of providing such services has been paid or is to be charged.

4. The head of any Federal agency shall furnish annually to the Director a summary report on the scope of the services provided under Title III.

### 3. Reservation of Existing Authority

The authority contained in Title III of the Act and this Circular is in addition to, and does not supersede, any existing and specific authority now possessed by any Federal agency with respect to furnishing services, whether on a reimbursable or non-reimbursable basis, to State and local units of government. The requirements and conditions contained in this Circular shall not apply to services specifically provided in accordance with existing statutory authorities.

### 4. Definitions

For purposes of this Circular: a. The term *State* means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of a State.

b. The terms *political subdivision* or *local government* mean a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law, or combinations thereof.

c. *Specialized or technical services* means statistical and other studies and compilations, development projects, technical tests and evaluations, surveys, reports, documents, or any other similar service functions that a Federal agency is uniquely equipped and authorized by law to perform. Specialized or technical services do not include common administrative support services.

### 5. Policy

Federal agencies will cooperate to the maximum extent possible with State and local units of government to provide the specialized or technical services as may be authorized. Such services shall generally supplement, not supplant existing services, and Federal agencies should not provide services with full reimbursement under this Circular that have heretofore been furnished for less than full reimbursement under other authorities, unless specifically requested to do so by the Director of OMB.

### 6. Types of Services That May Be Provided

a. It is hereby determined that Federal agencies have the special competence to provide, and may provide, the following specialized or technical services and facilities related thereto, pursuant to Title III of the Intergovernmental Cooperation Act of 1968:

1. Any existing statistical or other studies and compilations, where the data gathering is conducted as a joint effort to meet the ongoing requirements of both a Federal and a State or local government requirement. This authority shall not extend to State or local data requests to conduct Federal surveys or other compilations in advance of Federal schedules for collecting the same data or compilations, unless specifically approved by OMB.

2. Preparation of unique statistical and other studies and compilations, tests and evaluations, surveys, reports, and documents, and assistance in the conduct of such activities and in the preparation of such materials, provided they are of a type that the Federal agency is authorized by law to conduct or prepare for itself.

3. Highly specialized training of the type that the Federal agency is authorized by law to conduct for Federal personnel involved in inherently governmental activities or which is similar to such training.

4. Technical aid in the preparation of proposals for development and other projects for which the Federal agency provides grants-in-aid or other assistance, provided such aid primarily strengthens the ability of the recipient in developing its own capacity to prepare proposals.

b. Any of the above specialized or technical services provided to the States and their political subdivisions by existing statutory authorities may also be provided under Title III of the Act and the terms of this Circular.

c. If a Federal agency receives a request for specialized or technical services that are not covered in subparagraph "a." above, and that it believes is consistent with the Act and that it has a special competence to provide, it should forward the request to the Director for approval. Similarly, if there is doubt as to whether the service requested is covered by subparagraph "a.," the request should be forwarded to the Director for consideration.

### 7. Conditions Under Which Services May Be Provided

The specialized or technical services provided under Title III of the Act and this Circular may be provided, only under the following conditions:

a. Such services will be provided only to the States, political subdivisions thereof, and combinations or associations of such governments or their agencies and instrumentalities.

b. Such services will be provided only upon the written request of a State or a political subdivision thereof. Requests will normally be made by the chief executives of such entities and will be addressed to the head of the agency involved.

c. Such services will not be provided unless the agency providing the services is providing similar services for its own use and, if commercial in nature, are being provided in accordance with a cost comparison conducted under the policies set forth in the Office of Management and Budget's Circular No. A-76, "Performance of Commercial Activities," (Revised August 3, 1983) and its March 1996 Revised Supplemental Handbook. In addition, in accordance with the policies set forth in Circular No. A-76, the requesting entity must certify that such services cannot be procured reasonably and expeditiously by it through ordinary business channels.

d. Such services will not be provided if they require any additions of staff or if they involve outlays for additional equipment or other facilities solely for the purpose of providing such services.

e. Such services will be provided only upon payment or provision for reimbursement to the Federal agency involved, by the unit of government making the request, of salaries and all other identifiable direct and indirect costs of performing such services to the Federal taxpayer. For cost determination purposes, Federal agencies will be guided by the policies set forth in the Statement of Federal Financial Accounting Standards No. 4, "Managerial Cost Accounting Concepts and Standards," Circular A-76, as revised, and Circular No. A-25, "User Charges" (July 8, 1993), or subsequent guidance.

f. Any payments or reimbursements received by Federal agencies for the costs of such services will be deposited to the credit of the principal appropriation, franchise, working capital or other account from which the costs of providing the services have been paid or are to be charged.

g. In the event a request for a service is denied, the Federal agency shall furnish the entity making the request with a statement indicating the reasons for the denial.

8. *Effective date.* This revised Circular is effective immediately.

9. *Inquiries.* Inquiries regarding this Circular may be addressed to the Budget

Analysis Branch, Budget Analysis and Systems Division, Office of Management and Budget, 725 17th Street, N.W., Washington, DC 20503; telephone: (202) 395-6104 or FAX (202) 395-7230.

**Franklin D. Raines,**

*Director.*

[FR Doc. 98-818 Filed 1-13-98; 8:45 am]

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## POSTAL RATE COMMISSION

### Sunshine Act Meetings

**NAME OF AGENCY:** Postal Rate Commission.

**TIME AND DATE:** 10:30 a.m., January 29, 1998.

**PLACE:** Commission Conference Room, 1333 H Street, NW, Suite 3003, Washington, DC 20268-0001.

**STATUS:** Closed.

**MATTERS TO BE CONSIDERED:** Issues in Docket No. MC97-5.

**CONTACT PERSON FOR MORE INFORMATION:** Stephen L. Sharfman, General Counsel, Postal Rate Commission, Suite 300, 1333 H Street, NW, Washington, DC 20268-0001, (202) 789-6820.

Dated: January 9, 1998.

**Margaret P. Crenshaw,**

*Secretary.*

[FR Doc. 98-1044 Filed 1-12-98; 11:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-22994; File No. 815-10822]

### PIMCO Variable Insurance Trust, et al.; Notice of Application

January 7, 1998.

**AGENCY:** Securities and Exchange Commission (the "SEC" or the "Commission").

**ACTION:** Notice of application for an order under Section 6(c) of the Investment Company Act of 1940 (the "1940 Act") granting exemptive relief from Sections 9(a), 13(a), 15(a) and 15(b) of the 1940 Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder.

**SUMMARY OF APPLICATION:** Applicants seek an order to permit shares of PIMCO Variable Insurance Trust and any similar investment companies for which Pacific Investment Management Company or any of its affiliates may in the future serve as manager, investment adviser, administrator, principal underwriter or sponsor (Pacific Management Investment Company and such affiliates referred to collectively as

the "Manager") to be sold to and held by: (1) Separate accounts funding variable annuity and variable life insurance contracts issued by both affiliated and unaffiliated life insurance companies; and (2) qualified pension and retirement plan outside of the separate account context ("Qualified Plans" or "Plans").

**APPLICANTS:** PIMCO Variable Insurance Trust ("Trust") and Pacific Investment Management Company ("Pacific").

**FILING DATES:** The application was filed on October 17, 1997.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing on this application by writing to the Secretary of the SEC and serving Applications with a copy of the request, in person or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on February 2, 1998, and must be accompanied by proof of service on the Applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the interest, the reason for the request and the issues contested. Persons may request notification of the date of a hearing by writing to the Secretary of the SEC.

**ADDRESSES:** Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o R. Wesley Burns, Pacific Investment Management Company, 840 Newport Center Drive, Newport Beach, California 92660.

#### FOR FURTHER INFORMATION CONTACT:

Edward P. Macdonald, Senior Counsel, or Kevin M. Kirchoff, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application is available for a fee from the Public Reference Branch of the SEC, 450 Fifth Street, N.W., Washington, D.C. (tel. (202) 942-8090).

#### Applicants' Representation

1. The Trust is organized as a Delaware business trust and is registered under the 1940 Act as an open-end management investment company. It currently consists of ten separate investment portfolios ("Portfolios"), each with its own investment objective or objectives and policies.

2. Pacific, a partnership registered as an investment adviser under the Investment Advisers Act of 1940, is the investment adviser of each Portfolio.

3. The Trust will offer shares of its Portfolios to separate accounts of insurance companies to serve as the investment medium for variable annuity contracts and variable life insurance policies, as well as to qualified pension and retirement accounts and other appropriate investors.

4. The Trust and any other similar investment companies that Pacific or any of its affiliates may manage or serve as investment adviser, administrator, principal underwriter or sponsor for in the future (the Trust and such similar investment companies are collectively referred to herein as the "Funds") would offer shares to separate accounts that are registered under the 1940 Act as unit investment trusts ("Separate Accounts") and that serve as investment vehicles for variable insurance contracts issued by affiliated and unaffiliated life insurance companies. Variable insurance contracts may include variable annuity contracts, variable life insurance contracts and variable group life insurance contracts. Separate accounts to which the shares of the Funds would in the future be offered also include separate accounts that are not registered as investment companies under the 1940 Act pursuant to the exceptions from registration in Sections 3(c)(1) and 3(c)(11) of the 1940 Act. In addition, the Funds may offer shares to separate accounts serving as investment vehicles for other types of insurance products, which may include variable annuity contracts, scheduled premium variable life insurance contracts, single premium variable life insurance contracts, modified single premium variable life insurance contracts, and flexible premium variable life insurance contracts. (All insurance contracts referenced in this paragraph are collectively referred to herein as "Variable Contracts." Insurance companies whose separate account or accounts would own shares of the Funds are referred to herein as "participating insurance companies.")

5. The Funds also intend to offer shares directly to Qualified Plans described in Treasury Regulation § 1.817-6(f)(3)(iii).

#### Applicants' Legal Analysis

1. Applicants request that the Commission issue an order under Section 6(c) of the 1940 Act granting exemptive relief from Sections 9(a), 13(a), 15(a) and 15(b) thereof, and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder, to the extent necessary to: (a) permit "mixed" and "shared" funding as defined below; and (b) allow shares of the Funds to be sold to and held by Qualified Plans.