

protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of these filings are on file with the Commission and are available for public inspection.

**David P. Boergers,**

*Acting Secretary.*

[FR Doc. 98-11955 Filed 5-5-98; 8:45 am]

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## ENVIRONMENTAL PROTECTION AGENCY

[FRL-6010-1]

### Agency Information Collection Activities: Proposed Collection; Comment Request; Postponing Consumption: An Examination of Individual and Household Preferences

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this document announces that EPA is planning to submit the following proposed Information Collection Request (ICR) to the Office of Management and Budget (OMB): Postponing Consumption: An Examination of Individual and Household Preferences.

Before submitting the ICR to OMB for review and approval, EPA is soliciting comments on specific aspects of the proposed information collection as described below.

**DATES:** Comments must be submitted on or before July 6, 1998.

**ADDRESSES:** Melonie Williams (2172) Office of Policy, Planning and Evaluation, US EPA, 401 M St. SW, Washington, DC 20460. Interested persons may obtain a copy of the ICR without charge by calling Melonie Williams at 202-260-7978 or via e-mail at williams.melonie@epamail.epa.gov.

**FOR FURTHER INFORMATION CONTACT:** Melonie Williams at 202-260-7978 or via e-mail at williams.melonie@epamail.epa.gov.

#### SUPPLEMENTARY INFORMATION:

**Affected entities:** Entities potentially affected by this action are (i) those individuals who are contacted and asked to participate in the study and (ii) those who voluntarily agree to participate in the study. Residents in the Atlanta, GA area will be contacted by telephone (random-digit dialing), students at an as-yet-undetermined university will be contacted by e-mail (via group mailing lists) and posted announcements.

**Title:** Postponing Consumption: An Examination of Individual and Household Preferences.

**Abstract:** This information collection exercise is a pilot study designed to examine individual and household discount rates and individual preferences over intergenerational distributions of wealth.

Currently, market interest rates are used as proxies for individual and social discount rates in economic analyses of EPA programs. Considerable evidence indicates, however, that these discount rates may bear no relationship to market rates. Instead, individual discount rates appear to vary with respect to time horizon, socio-demographic characteristics, and the nature of the good being traded across time.

This study will use the experimental laboratory to examine individual and household discount rates. Experiment participants will be asked to make intertemporal trade-offs and discount rates will be inferred from their choices. Participants will also be asked to provide information on their socio-demographic characteristics and financial market activities. Ultimately, these data will be used to (i) generate individual and household discount rates for use in economic models involving intertemporal components and (ii) examine the appropriateness of using market interest rates as social discount rates in economic analyses of public programs.

Moreover, the choice of a particular discount rate to be used in economic analyses of EPA programs is likely to have consequences for the intergenerational distribution of wealth. Thus, equity issues may influence individual preferences over the discount rate used to evaluate EPA programs.

This study will use the experimental laboratory to examine individual preferences over income distributions. Laboratory incentives will be designed to create alternative social decision mechanisms under which subjects choose among different income distributions that determine subject payments. The characteristics defining these alternative social decision mechanisms correspond to equity issues similar to those arising from EPA policies. By observing individual preferences over income distributions under alternative decision rules, we can provide EPA policymakers with evidence on public preferences over intergenerational distributions of wealth.

Laboratory incentives will involve real (as opposed to hypothetical) economic commitments. Participation in these experiments will be informed

and voluntary. Participants will be able to terminate participation at any time without penalty. Well-established procedures will be in place to ensure the participants' anonymity and the confidentiality of their responses. 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 OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR Chapter 15.

The EPA would like to solicit comments to:

(i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(ii) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(iii) enhance the quality, utility, and clarity of the information to be collected; and

(iv) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

**Burden Statement:** 330 subjects will participate in those experiments examining discount rates. Subjects will convene in groups at an Atlanta conference center. Each subject will participate in one experimental session and each experimental session will last approximately 1.5 hours inclusive of time to sign informed-consent forms, answer questionnaires, read experimental instructions and record decisions. Subjects will incur an estimated average of 45 minutes travel time. Assuming a 75% show-up rate, Haigler-Bailly, who is likely to conduct the experiments, has estimated that 440 subjects should be recruited to obtain a final sample size of 330. Recruiting is by telephone and Haigler-Bailly estimates that 2000 completed contacts are necessary to obtain 440 recruits. The phone calls will last from 2 minutes (for those who refuse to participate) to 4 minutes (for those who agree to participate). Hence, the estimated burden for these experiments is 824 hours.

260 subjects will participate in those experiments examining preferences over income distributions. Subjects will convene in groups on a university campus. Each subject will participate in

one experimental session and each experimental session will last approximately 1.25 hours inclusive of time to sign informed-consent forms, answer questionnaires, read experimental instructions and record decisions. Since subjects are located at the site, travel time will be negligible. Moreover, the recruitment burden will be negligible, so no separate burden estimate is calculated. Hence, the estimated burden for these experiments is 325 hours. Total burden for the pilot study is thus 1149 hours. Labor costs were estimated based on the Bureau of Labor Statistics April 18, 1997 release of weekly earnings of wage and salary workers. Using median earnings (\$504/wk), the total burden cost is estimated at \$14,477.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

Dated: April 30, 1998.

**Melonie B. Williams,**

*Economist.*

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## ENVIRONMENTAL PROTECTION AGENCY

[FRL-6009-5]

### Air Pollution Control; Proposed Action on Clean Air Act Grant to the South Coast Air Quality Management District

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed determination with request for comments and notice of opportunity for public hearing.

**SUMMARY:** The U.S. EPA has made a proposed determination that reductions in expenditures of non-Federal funds for the South Coast Air Quality Management District (SCAQMD) in

Diamond Bar, California are a result of non-selective reductions in expenditures. This determination, when final, will permit the SCAQMD to be awarded financial assistance for FY-98 by EPA, under section 105(c) of the Clean Air Act (CAA).

**DATES:** Comments and/or requests for a public hearing must be received by EPA at the address stated below by June 5, 1998.

**ADDRESSES:** All comments and/or requests for a public hearing should be mailed to: R. Michael Stenburg, Grants and Program Integration Office (Air-8), Air Division, U.S. EPA Region IX, 75 Hawthorne Street, San Francisco, California 94105-3901; FAX (415) 744-1076.

**FOR FURTHER INFORMATION CONTACT:** R. Michael Stenburg, Grants and Program Integration Office (Air-8), Air Division, U.S. EPA Region IX, 75 Hawthorne Street, San Francisco, California 94105-3901 at (415) 744-1182.

**SUPPLEMENTARY INFORMATION:** Under the authority of Section 105 of the CAA, EPA provides financial assistance (grants) to the SCAQMD, whose jurisdiction includes Los Angeles and Orange Counties in southern California, to aid in the operation of its air pollution control programs. In FY-97, EPA awarded the SCAQMD \$4,844,967, which represented approximately 5.1% of the SCAQMD's budget.

Section 105(c)(1) of the CAA, 42 U.S.C. 7405(c)(1), provides that "[n]o agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year. In order for [EPA] to award grants under this section in a timely manner each fiscal year, [EPA] shall compare an agency's prospective expenditure level to that of its second preceding year."

EPA may still award financial assistance to an agency not meeting this requirement, however, if EPA, "after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government." CAA section 105(c)(2).

These statutory requirements are repeated in EPA's implementing regulations at 40 CFR 35.210(a).

In its FY-98 § 105 grant application the SCAQMD projected MOE of

\$63,763,496. This amount represents a shortfall of \$11,450,587 from the actual FY-97 MOE of \$75,214,083. In order for the SCAQMD to be eligible to be awarded its FY-98 grant, EPA must make a determination under § 105(c)(2).

The SCAQMD is a single-purpose agency whose primary source of funding is emission fee revenue. It is the "unit of Government" for § 105(c)(2) purposes. The SCAQMD submitted documentation to EPA which shows that over the last six years emission reductions brought on by a combination of regulated and voluntary emission reductions and actions to minimize fee increases on businesses have reduced fee revenues from stationary sources from a high of \$66,914,362 in 1991-1992 to approximately \$50,724,900 in 1997-1998. As a result, the SCAQMD has instituted hiring/salary freezes, furloughs, and layoffs, has reduced its equipment purchases and contract expenditures, and has instituted new programs to reduce costs such as permit streamlining, computer-assisted permit processing, and privatization efforts.

Therefore, the SCAQMD's MOE reduction resulted from a loss of fee revenues due to circumstances beyond its control. EPA proposes to determine that the SCAQMD's lower FY-98 MOE level meets the § 105(c)(2) criteria as resulting from a non-selective reduction of expenditures. Pursuant to 40 CFR 35.210, this determination will allow the SCAQMD to be awarded financial assistance for FY-98.

This notice constitutes a request for public comment and an opportunity for public hearing as required by the Clean Air Act. All written comments received by June 5, 1998 on this proposal will be considered. EPA will conduct a public hearing on this proposal only if a written request for such is received by EPA at the address above by June 5, 1998.

If no written request for a hearing is received, EPA will proceed to the final determination. While notice of the final determination will not be published in the **Federal Register**, copies of the determination can be obtained by sending a written request to R. Michael Stenburg at the above address.

Dated: April 20, 1998.

**Steven Frey,**

*Acting Director, Air Division, U.S. EPA, Region 9.*

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