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Tuesday
June 9, 1998

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Parts 425 and 457

RIN 0563–AA85

Peanut Crop Insurance Regulations; and Common Crop Insurance Regulations, Peanut Crop Insurance Provisions

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Final rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) finalizes specific crop provisions for the insurance of peanuts. The provisions will be used in conjunction with the Common Crop Insurance Policy, Basic Provisions, which contain standard terms and conditions common to most crops. The intended effect of this action is to provide policy changes to better meet the needs of the insured, include the current peanut crop insurance regulations with the Common Crop Insurance Policy for ease of use and consistency of terms, and restrict the effect of the current peanut crop insurance regulations to the 1998 and prior crop years.

EFFECTIVE DATE: July 9, 1998.

FOR FURTHER INFORMATION CONTACT: Gary Johnson, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926–7730.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

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

Paperwork Reduction Act of 1995

Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C., chapter 35), the collections of information for this rule have been approved by the Office of Management and Budget (OMB) under control number 0563–0053 through October 31, 2000.

Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. This rule contains no Federal mandates (under the regulatory provisions of title II of the UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

Executive Order 12612

It has been determined under section 6(a) of Executive Order 12612, Federalism, that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this rule will not have a substantial direct effect on States or their political subdivisions or on the distribution of power and responsibilities among the various levels of government.

Regulatory Flexibility Act

This regulation will not have a significant economic impact on a substantial number of small entities. New provisions included in this rule will not impact small entities to a greater extent than large entities. Under the current regulations, a producer is required to complete an application and acreage report. If the crop is damaged or destroyed, the producer is required to give notice of loss and provide the necessary information to complete a claim for indemnity.

The producer must also annually certify to the previous years production if adequate records are available to support the certification. The producer must maintain the production records to support the certified information for at least three years. This regulation does not alter those requirements.

The amount of work required of the insurance companies delivering and servicing these policies will not increase significantly from the amount of work currently required. No additional actions are required as a result of this rule on the part of either the insured or the insurance companies. This rule does not have any greater or lesser impact on the producer. Therefore, this action is determined to be exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. 605), and no Regulatory Flexibility Analysis was prepared.

Federal Assistance Program

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

Executive Order 12372

This program is not subject to the provisions of Executive Order 12372 which require intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115, June 24, 1983.

Executive Order 12988

This rule has been reviewed in accordance with Executive Order 12988 on civil justice reform. The provisions of this rule will not have a retroactive effect. The provisions of this rule will preempt State and local laws to the extent such State and local laws are inconsistent herewith. The administrative appeal provisions published at 7 CFR part 11 must be exhausted before any action for judicial review of any determination made by FCIC may be brought.

Environmental Evaluation

This action is not expected to have a significant impact on the quality of the human environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

National Performance Review

This regulatory action is being taken as part of the National Performance Review Initiative to eliminate unnecessary or duplicative regulations and improve those that remain in force.

Background

On Thursday, May 1, 1997, FCIC published a notice of proposed rule making, in the **Federal Register** at 62 FR 23685 to add to the Common Crop Insurance Regulations (7 CFR part 457),

new section, 7 CFR 457.134, Peanut Crop Insurance Provisions. The new provisions will be effective for the 1999 and succeeding crop years. These provisions will replace and supersede the current provisions for insuring peanuts found at 7 CFR part 425 (Peanut Crop Insurance Regulations). FCIC also amends 7 CFR part 425 to limit its effect to the 1998 and prior crop years.

Following publication of the proposed rule, the public was afforded 30 days to submit written comments and opinions. A total of 204 comments were received from the National Crop Insurance Peanut Advisory Committee, Peanut Growers Cooperative Marketing Association, National Peanut Growers Group, Agricultural Commodity Commission for Peanuts, State Peanut Growers Association, Production Farm Credit Association, reinsured companies, and an insurance service organization. The comments received and FCIC's responses are as follows:

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended revising the definition of ''average price per pound'' to delete the words ''and insured,'' in part 1 and delete the words ''all non-quota'' and ''and insured,'' in part 2.

Response: FCIC has amended the definition accordingly.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization expressed concerns with the definition of ''good farming practices,'' which makes reference to ''cultural practices generally in use in the county * * * recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.'' The commenters questioned whether cultural practices exist that are not necessarily recognized (or possibly known) by the Cooperative State Research, Education, and Extension Service. The commenters also indicated that the term ''county'' in the definition of ''good farming practices'' should be changed to ''area.''

Response: The Cooperative State Research, Education, and Extension Service (CSREES) recognizes farming practices that are considered acceptable for producing peanuts. If a producer is following practices currently not recognized as acceptable by the CSREES, such recognition can be sought by interested parties. Although the cultural practices recognized by the CSREES may only pertain to specific areas within a county, the actuarial documents are on a county basis. Therefore, no change has been made. However, the definition of ''good farming practices'' has been removed from these Crop Provisions and is now contained in the Basic Provisions.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended deleting the second sentence of the definition of ''green peanuts,'' because not all producers who grow green peanuts market them exclusively as boiled peanuts.

Response: FCIC has amended the definition accordingly.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended deleting ''marketing window'' from the definition of ''practical to replant.'' The commenters indicated that peanuts are unlike other crops, such as processor and fresh market crops, where the producer only has a certain amount of time to market the crop. The commenters stated that the ability to contract peanuts with a sheller guarantees a market for the crop.

Response: The concept of a ''marketing window'' is most applicable to processor and fresh market crops, and FCIC recognizes that peanuts are unlike these crops. However, § 508(j)(4) of the Federal Crop Insurance Act mandates that marketing windows be considered in determining whether it is feasible to require replanting during a crop year. The definition of ''practical to replant'' has been moved to the Basic Provisions.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended adding a definition for ''farm yield,'' rewrite the term ''farm yield,'' or perhaps change to ''yield established by the actuarial table'' in the definition of ''production guarantee.'' Commenters indicated that since peanuts are based on a producer listing, and not the producer's actual production history (APH), the term ''production guarantee'' is inappropriate. A producer's classification (guarantee) is determined by combining history from all farms in which he has grown peanuts in the county.

Response: FCIC has revised the definition of ''production guarantee'' to read ''* * * yield per acre contained in the actuarial documents or the approved yield * * *''

Comment: An insurance service organization recommended deleting from the definition of ''quota peanuts,'' the phrase, ''marketed for domestic edible use, seed, or other related uses.'' Under the current peanut policy, peanuts that are not eligible to be marketed for domestic edible use or seed could be valued as quota. For example: if peanuts grade segregation III, the remaining production from the farm serial number (FSN) is not sufficient to satisfy the quota, and the producer signs a waiver, the peanuts will be subject to a quality adjustment against the support price. However, those peanuts would not meet the definition of ''quota peanuts'' in the proposed rule.

Response: FCIC has amended the definition for ''quota peanuts'' accordingly.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended that the definition of ''replanting'' be modified to include a requirement that replanted peanuts be planted in rows wide enough apart to permit cultivation and harvest in the same manner as the initially planted peanuts. Commenters indicated that broadcast or drilled peanuts are not acceptable methods of planting (or replanting) because such methods do not permit mechanical cultivation or allow digging the crop.

Response: Section 12(b) of these Crop Provisions clearly states the consequences of improperly replanting the crop. If the peanuts are replanted using a practice that is uninsurable as an original planting, the liability for the unit will be reduced by the amount of the replanting payment, with no reduction in the premium owed. Further, section 14(e)(1)(v), has been revised to specify that any production from the improperly replanted acreage will count against the remaining liability for the unit.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended revision in the proposed definition of ''value per pound'' because the definition is incomplete and somewhat vague.

Response: FCIC has revised the definition for clarification.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended the current unit structure remain based on the FSN unit. Commenters suggested that more optional units will increase the loss ratio. It will be necessary to add procedures to show how to split the quota of one FSN between separate basic units by share and to show what verifiable records are required to support optional units and how those records must be maintained because the APH program is not applicable for

peanuts. Also, the commenters indicated that if a producer commingles production now, the company apportions the production between the units, whereas under the proposed rule, the insured will lose units with commingled production at loss time.

Response: FCIC understands the complexity of the substantive change toward converting units by FSN to a basic unit by share and optional unit by FSN. The procedure to split the quota for basic units should be no more difficult than any other crop permitting basic units. Further, the producer receives records when production is delivered. The delivered production and records must be maintained separately or the producer will not qualify for optional units. Although FCIC and the reinsured companies may be precluded from obtaining the producer's production records from the Farm Service Agency, nothing precludes the producer from providing such records as a condition of insurance. FCIC is charged to maintain an actuarially sound program and one that is consistent with provisions of other crop policies. The premium charged will reflect any additional risks associated with basic and optional units. Therefore, no changes will be considered until such information is provided.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended that section 3(c) be revised to incorporate the current producer listing process for peanuts, and remove any references to ''annual production reports'' and ''establish an approved yield.'' It was also suggested that section 3(c) be deleted.

Response: Section 3(c) only requires an annual production report when stated in the Special Provisions. The current method of establishing yields will continue in these Crop Provisions. However, the peanut price support program could be discontinued or modified and in such an event, an alternative method for establishing production guarantees may be needed. Therefore, no change has been made.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended the contract change date be revised in section 4 from November 30 to October 31 because of the short time frame between the contract change date and sales closing date. The commenters indicated that with the changing of sales closing dates, actuarial documents are needed earlier to allow sales agents time to make quotes and proposals to producers and lenders, especially since more producers are making loan applications before the end of the year. Also, the November 30 contract change date does not allow adequate time for companies to determine changes, develop training materials, train agents, advise carryover insureds of changes and sell to potential insureds.

Response: November 30 has always been the contract change date for all counties that do not have an April 15 cancellation date under the present peanut provisions. The proposed rule simply changed the contract change date from December 31 to November 30 for all remaining counties to maintain the same time period between the contract change date and the revised cancellation dates and to achieve consistency with other annual crop insurance policies. This time frame has proven to be adequate to allow the necessary preparation for the sale of these policies. Therefore, no change has been made.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended the cancellation and termination date for Virginia to be changed to March 15. Commenters indicated that these dates were originally April 15 and not February 28.

Response: FCIC has revised the cancellation and termination date for Virginia accordingly.

Comment: An insurance service organization stated that the current peanut policy establishes units by FSN, so reporting the effective marketing quota by FSN on the acreage report made sense. The proposed rule changes unit structure, but it does not address the resulting complications of the unit requirement for reporting acreage in the new peanut Crop Provisions.

Response: In addition to the requirements of section 6 of the Basic Provisions, the insured is required to report the effective marketing quota, if any, that is applicable to each unit for the current crop year. This would include all basic and optional units. FCIC has revised the provision to require the reporting of the effective poundage marketing quota for each basic and optional unit.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended section 7(e) be revised to read ''multiplying the result of section 7(d) by your share at the time coverage begins.'' The commenters indicated that this will be consistent with section 7 of the Basic Provisions and clarifies when premium is earned. Also, the commenters recommended that a new section 7(f) be added to read as follows: ''multiplying the result of section 7(e) times any premium adjustment percentage that may apply.'' This is needed for those policies that continue to qualify for a premium discount or qualify for the hail and fire exclusion reduction.

Response: FCIC has amended the provisions accordingly.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended changing the word ''harvested'' to ''planted'' in section 8(b) so that it reflects the planted peanuts with the intent of harvesting farmers' stock peanuts. The commenters also recommended that section 8(d)(1) be amended to state that if a crop is harvested for use as green peanuts, such peanuts are insured and premium is earned and due. If the intent is to harvest green peanuts, then the acreage should not be insurable. Insurable acreage must be established at the time coverage attaches (when planted), not at harvest.

Response: Section 8(b) already requires that the peanuts be planted as farmers' stock peanuts. Therefore, no change has been made. FCIC agrees with the recommendation to amend section 8(d)(1) to only exclude coverage for peanuts planted for the purpose of harvesting as green peanuts.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended that section 9(b)(1) be rewritten as follows: ''On which peanuts are grown using no-till or minimum tillage farming methods, unless a written agreement allows otherwise or as provided on the Special Provisions.'' The commenters indicated that the reference to the Special Provisions will allow for adding a statement if needed, making written agreements for these practices unnecessary. This would reduce paperwork caused by having to request a written agreement for each individual case. The commenter also suggested that section 9(b)(2) be deleted. The commenters stated that there are no rotation requirements for peanuts. If requirements are established in the future, the requirements could be added either to the Special Provisions or by endorsement.

Response: FCIC has amended section 9(b)(1) accordingly. However, there are peanut types and in different areas of production where it is essential that peanuts be rotated with other crops in order to insure continuous successful

production. Therefore, no change has been made in the rotation provision.

Comment: A reinsured company and an insurance service organization questioned the reference to ''removed from the field'' in section 10(b). The commenters asked whether coverage continues after the peanuts are threshed or harvested but still in the field. The current provision had the wording ''threshed or removed from the field.'' The commenters suggested only the words, ''threshed or harvested'' be referenced and the words, ''removed from the field'' be deleted.

Response: Peanuts may be left in the field for a short period time after combining or threshing for the purpose of drying. These Crop Provisions provide coverage on such peanuts until they are removed from the field for shelling, storing, and processing. Therefore, no change has been made.

Comment: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended that FCIC: (1) keep the current minimum requirement of 10 acres or 10 percent of the unit to qualify for a replanting payment by adding that information to section 12; (2) add the words ''multiplied by the number of acres and by your insured share'' to section 12(a)(2)(i); and (3) delete section 12(a)(2)(iii), thereby making the replanting payment per acre the lesser of $80.00 or actual cost multiplied by the producer's share. Commenters indicated that producers incur the same cost to replant whether quota or non-quota acreage is being replanted. Since peanuts must be planted in rows to allow proper cultivation and harvest practices, the commenters recommended that section 12(b), which requires replanting in rows far enough apart to cultivate, be deleted.

Response: The increase in the requirement from the lesser of 10 percent or 10 acres to 20 percent or 20 acres is consistent with other crop provisions. This revision, coupled with the change in the amount of replant payment, simplifies the program and does not significantly affect the insured. Previous analyses of replant payments paid in major peanut producing states showed that a small amount of peanut acreage was replanted. FCIC has revised section 12(a)(2)(i) accordingly. Inclusion of section 12(a)(2)(iii) is consistent with other annual crops that have replant payments, plus it maintains an equitable payment for replanted acreage. Section 12(b) is necessary to ensure that the insured properly replants the crop. Further, this provision is consistent with other annual crops that have replanting provisions. Therefore, no changes have been made.

Comments: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended deleting the provision addressing combining optional units in section 14(a)(1).

Response: FCIC is maintaining the requirement that the producer keep separate records by unit. If a producer fails to maintain separate production records there is no way to authenticate the reported production to count for each optional unit. Since production to count cannot be accurately determined, the optional units must be combined. Therefore, no change has been made.

Comments: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommend that the Farm Service Agency (FSA) procedures that allow producers to make ''fall'' transfers of their farm quota to another farm or producer be revised. Commenters also recommended that sections 14(b)(1), (2), and (3) should be revised because it adversely affects acreage reporting and claims processing.

Response: FCIC cannot require another agency to revise its provisions. However, FCIC will share the commenter's recommendation regarding the revision of FSA procedure with FSA. To assure there is not an indemnity paid for quota that is later transferred from one farm to another farm or another producer, the provisions must limit the effective poundage marketing quota for each unit to reflect such transfers. Therefore, no change has been made.

Comments: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended that the peanut quota pounds indemnified by insurance be removed from the quota pounds of the FSN at the FSA office. The commenters indicated that this recommendation is to prevent insureds from collecting an insurance indemnity and then collecting an additional benefit by selling or transferring those quota pounds to another farm or producer.

Response: Sections 14(b)(1), (2), and (3) of these Crop Provisions should ensure that insureds are not collecting an insurance indemnity and then collecting an additional benefit by selling or transferring their quota pounds to another farm or producer. Therefore, no change has been made. However, FCIC will share this recommendation with FSA.

Comments: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization states that the calculation in 14(c) is cumbersome and makes a difference in how production is counted against the guarantee. Commenters indicated that the calculation uses Segregation II and III production and that production would be counted against the non-quota guarantee, but current procedure counts all production against quota first. This new calculation results in a different indemnity payment than current procedure.

Response: The commenters are correct that all production does not count against the quota first. This policy calculates the value of all production and subtracts it from the value of the quota and non-quota peanut guarantees. If Segregation II and III peanut production are not eligible to be valued and insured as quota peanut production, it would be unequitable to count such production against the quota guarantee. Therefore, no change has been made.

Comments: An insurance service organization commented that the language in section 14(c)(5) suggests that the peanut crop provision is a ''dollar'' policy rather than ''guaranteed'' production policy. The commenter suggested revising the following: ''pounds production to count subtracted from pounds guaranteed multiplied by the quota price election and non-quota price election.''

Response: This policy does not insure a specific dollar amount. However, since there are more than one type of peanuts insured, the value of the guarantee and production to count for each type is calculated separately to ensure that the correct price is applied to the specific type. Therefore, no change has been made.

Comments: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization suggest that unharvested production should not be adjusted for quality. Commenters indicated that quality adjustment should be restricted to mature harvested production. Comments were made that United States Department of Agriculture (USDA) inspectors do not accept unharvested samples for grading purposes. Furthermore, it should be made clear that all appraised production will be counted as quota as current procedure requires.

Response: Producers should not be required to incur the costs associated with harvest just to receive a quality adjustment when there is no dispute that the production has been damaged. These Crop Provisions are consistent with other crops that have quality adjustment provisions. As stated above, appraised production of non-quota

peanuts will count against the value of the quota if there is insufficient quota peanuts since the total value of all production to count is subtracted from the total value of the quota and non-quota guarantees. Therefore, no change has been made.

Comments: Three producer groups, a lending institution, two reinsured companies, and an insurance service organization recommended that section 14(d)(2)(iv) be revised to not allow the insured to defer settlement of a claim and wait for a later, generally lower, appraisal, especially on crops that have a short ''shelf life.''

Response: This provision allows deferment of a claim only if the insurance provider and the insured do not agree on the appraisal or if the insurance provider believes that the crop needs to be further cared for. The insured must continue to care for the entire crop. If the insured does not provide sufficient care for the crop, the original appraisal will be used. Therefore, no change has been made.

Comments: An insurance service organization and a reinsured company suggest that the requirement for a written agreement to be renewed each year should be removed in section 15(d). Terms of the agreement should be stated in the agreement to fit the particular situation for the policy, or if no substantive changes occur from one year to the next, allow the written agreement to be continuous.

Response: Written agreements are intended to supplement policy terms or permit insurance in unusual situations that require modification of the otherwise standard insurance provisions. If the condition creating need for a written agreement continues from year to year, it should be incorporated into the policy or the Special Provisions. FCIC has moved the written agreement provisions to the Basic Provisions but no change has been made.

Comments: Four producer groups, a lending institution, and two reinsured companies ask: (1) whether the Late Planting Agreement Option is still available; and (2) why late and prevented planting language provisions were not included as they have been in other crops.

Response: The Late Planting Agreement Option is no longer available. The late and prevented planting provisions in the Basic Provisions will apply.

In addition to the changes indicated above, FCIC has made the following changes:

1. Section 1. Definitions—Deleted the definitions of ''days'', ''final planting date,'' ''FSA,'' ''good farming practices,'' ''interplanted,'' ''irrigated practice,'' ''practical to replant,'' ''replanting,'' ''timely planted,'' ''USDA,'' and ''written agreement'' since their definitions have been moved to the Basic Provisions. Revised the definition of ''planted acreage'' to remove those provisions that have been moved to the Basic Provisions and added the definition of ''approved yield'' for clarification. Deleted the definition of ''harvest'' because language was added in section 10(c) of these crop provisions and section 11 of the Basic Provisions to mark the end of the insurance period for peanuts.

2. Section 2—Delete those provisions that have been moved to the Basic Provisions.

3. Section 14—Added a note to inform policyholders with the Catastrophic Risk Protection level of coverage on the limitation of multiple benefits for the same crop loss.

List of Subjects in 7 CFR Parts 425 and 457

Crop insurance, Peanuts, Reporting and record keeping requirements.

Final Rule

Accordingly, for the reasons set forth in the preamble, the Federal Crop Insurance Corporation hereby amends 7 CFR parts 425 and 457, as follows:

PART 425—PEANUT CROP INSURANCE REGULATIONS FOR THE 1993 THROUGH 1998 CROP YEARS

1. The authority citation for 7 CFR part 425 is revised to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

2. The part heading is revised to read as set forth above.

3. Subpart heading ''Subpart—Regulations for the 1993 and Succeeding Crop Years'' is removed.

4. Section 425.7 is amended by revising the introductory text of paragraph (d) to read as follows:

§ 425.7 The application and policy.

* * * * *

(d) The application for the 1993 and succeeding crop years is found at subpart D of part 400-General Administrative Regulations (7 CFR 400.37, 400.38). The provisions of the Peanut Insurance Policy for the 1993 through 1998 crop years are as follows:

* * * * *

PART 457—COMMON CROP INSURANCE REGULATIONS; REGULATIONS FOR THE 1998 AND SUBSEQUENT CONTRACT YEARS

5. The authority citation for 7 CFR part 457 continues to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p)

6. Section 457.134 is added to read as follows:

§ 457.134 Peanut crop insurance provisions.

The Peanut Crop Insurance Provisions for the 1999 and succeeding crop years are as follows:

FCIC policies:

United States Department of Agriculture

Federal Crop Insurance Corporation

Reinsured policies:

(Appropriate title for insurance provider)

Both FCIC and reinsured policies:

Peanut Crop Insurance Provisions

If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, if applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions, with (1) controlling (2), etc.

1. Definitions.

Approved yield. The yield calculated in accordance with 7 CFR part 400, subpart G, if required by section 3(c) of these provisions.

Average price per pound:

(1) The average CCC support price per pound, by type, for Segregation I peanuts and Segregation II and III peanuts eligible to be valued as quota peanuts; or

(2) The highest non-quota price election contained in the Special Provisions for all Segregation I, II, and III peanuts not eligible to be valued as quota peanuts.

Average support price per pound. The average price per pound for each type of quota peanuts announced by the USDA under the peanut price support program.

CCC. Commodity Credit Corporation, a wholly owned government corporation within USDA.

County. In addition to the definition contained in the Basic Provisions, ''county'' also includes any land identified by a FSA farm serial number for such county but physically located in another county.

Effective poundage marketing quota. The number of pounds reported on the acreage report as eligible for the average support price per pound (including transfers of quota peanuts from one farm serial number to another farm serial number), not to exceed the Marketing Quota established by FSA for the farm serial number.

Farmers' stock peanuts. Peanuts customarily marketed by producers, produced in the United States, and which are not shelled, crushed, cleaned, or otherwise changed (except for removal of foreign material, loose shelled kernels, and excess moisture) from the condition in which peanuts are harvested.

Green peanuts. Peanuts that are harvested and marketed prior to maturity without drying or removal of moisture either by natural or artificial means.

Inspection certificate and sales memorandum. A USDA form that records the inspection grading results and marketing record for the net weight of peanuts delivered to a buyer.

Non-quota peanuts. Peanuts other than quota peanuts.

Planted acreage. In addition to the requirement in the definition in the Basic Provisions, peanuts must initially be planted in rows wide enough apart to permit mechanical cultivation. Acreage planted in any other manner will not be insurable unless otherwise provided by the Special Provisions or by written agreement.

Production guarantee (per acre). In addition to the definition of ''production guarantee (per acre)'' in the Basic Provisions, the production guarantee (per acre) is the number of pounds determined by multiplying the yield per acre contained in the actuarial documents or the approved yield multiplied by the coverage level percentage you elect.

Quota peanuts. Peanuts that are eligible to be valued at the average support price per pound.

Segregation I, II, or III. Grades designated and defined for peanuts by the Agricultural Marketing Service of USDA.

Value per pound. A price determined by USDA as shown on the USDA ''Inspection Certificate and Sales Memorandum'' or other value accepted by us.

2. Unit Division.

(a) In lieu of the provisions in section 34 of the Basic Provisions that permit optional unit by section, section equivalent, irrigated or non-irrigated acreage, each optional unit must be located in a separate farm identified by a single FSA Farm Serial Number.

(b) We may reject or modify any FSA reconstitution for the purpose of the unit definition, if we determine the reconstitution was done in whole or in part to defeat the purpose of the Federal crop insurance program or to gain a disproportionate advantage under this policy.

3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities.

In addition to the requirements of section 3 of the Basic Provisions:

(a) The price elections you choose for the quota and non-quota peanuts must have the same percentage relationship to the maximum price election offered by us for quota and non-quota peanuts. For example, if you choose 100 percent of the maximum quota peanut price election, you must also choose 100 percent of the maximum non-quota election.

(b) The maximum pounds that may be insured at the quota price election are the lesser of :

(1) The effective poundage marketing quota; or

(2) The insured acreage multiplied by the production guarantee. If the insured acres multiplied by the production guarantee exceeds the effective poundage marketing quota, the difference will be insured at the non-quota peanut price election.

(c) You may be required to file an annual production report to us, if required by the Special Provisions, to establish an approved yield in lieu of the yield published in the actuarial documents. If we require you to file an annual production report, you must do so in accordance with section 3(c) of the Basic Provisions.

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 preceding the cancellation date.

5. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are:

CANCELLATION AND TERMINATION

State and county	Dates
Jackson, Victoria, Golliad, Bee, Live Oak, Mullen, La Salle, and Dimmit Counties, Texas and all Texas Counties lying south thereof.	January 15
El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Upton, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas counties south and east thereof; and all other states.	February 28
New Mexico; Oklahoma; Virginia; and all other Texas counties	March 15

6. Report of Acreage.

In addition to the requirements of section 6 of the Basic Provisions, you must report the effective poundage marketing quota, if any, that is applicable to each basic and optional unit for the current crop year.

7. Annual Premium

In lieu of the premium amount determinations contained in section 7(c) of the Basic Provisions, the annual premium will be determined by:

(a) Multiplying the insured effective poundage marketing quota by the price election for quota peanuts;

(b) Multiplying the insured pounds of non-quota peanuts by the price election for non-quota peanuts;

(c) Totaling the results of section 7(a) and 7(b);

(d) Multiplying the total of section 7(c) by the applicable premium rate stated in the actuarial documents;

(e) Multiplying the result of section 7(d) by your share at the time coverage begins; and

(f) Multiplying the result of section 7(e) by any premium adjustment percentages that may apply.

8. Insured Crop

In accordance with section 8 of the Basic Provisions, the crop insured will be all the peanuts in the county for which a premium rate is provided by the actuarial documents:

(a) In which you have a share;

(b) That are planted for the purpose of marketing as farmers' stock peanuts;

(c) That are a type of peanut designated in the Special Provisions as being insurable; and

(d) That are not (unless allowed by the Special Provisions or by written agreement):

(1) Planted for the purpose of harvesting as green peanuts;

(2) Interplanted with another crop; or

(3) Planted into an established grass or legume.

9. Insurable Acreage

In addition to the provisions of section 9 of the Basic Provisions:

(a) Any acreage of the insured crop damaged before the final planting date, to the extent that the majority of producers in the area would normally not further care for the crop, must be replanted unless we agree that replanting is not practical.

(b) We will not insure any acreage:

(1) On which peanuts are grown using no-till or minimum tillage farming methods unless allowed by the Special Provisions or written agreement; or

(2) Which does not meet the rotation requirements, if any, contained in the Special Provisions.

10. Insurance Period

In accordance with the provisions of section 11 of the Basic Provisions, the calendar date for the end of the insurance period is the date immediately following planting as follows:

(a) November 30 in all states except New Mexico, Oklahoma, and Texas; and

(b) December 31 in New Mexico, Oklahoma, and Texas.

(c) ''Removal of peanuts from the field'' replaces ''harvest'' as an event marking the end of the insurance period in section 11 of the Basic Provisions.

11. Causes of Loss

In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur during the insurance period:

(a) Adverse weather conditions;

(b) Fire;

(c) Insects, but not damage due to insufficient or improper application of pest control measures;

(d) Plant disease, but not damage due to insufficient or improper application of disease control measures;

(e) Wildlife;

(f) Earthquake;

(g) Volcanic eruption; or

(h) Failure of the irrigation water supply, if due to a cause of loss contained in section 11(a) through (g) that occurs during the insurance period.

12. Replanting Payments

(a) In accordance with section 13 of the Basic Provisions:

(1) A replanting payment is allowed if the crop is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the production guarantee for the acreage and it is practical to replant.

(2) The maximum amount of the replanting payment for the unit will be the lesser of :

(i) Eighty dollars ($80.00) per acre multiplied by the number of acres replanted and multiplied by your insured share;

(ii) The actual cost of replanting per acre multiplied by the number of acres replanted and multiplied by your insured share; or

(iii) Twenty percent (20%) of the production guarantee multiplied by your quota price election, multiplied by the number of acres replanted, and multiplied by your insured share.

(b) When peanuts are replanted using a practice that is uninsurable as an original planting, the liability for the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.

13. Duties In The Event of Damage or Loss

In accordance with the requirements of section 14 of the Basic Provisions, the representative samples of the unharvested crop that we may require must be at least 10 feet wide and extend the entire length of each field in the unit. If you intend to put the acreage to another use or not harvest the crop, the samples must not be harvested or destroyed until our inspection.

14. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:

(1) For any optional units, we will combine all optional units for which such production records were not provided; and

(2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.

(b) When settling your claim, the effective poundage marketing quota, if any, for each unit will be limited to the lesser of:

(1) The amount of the effective poundage marketing quota reported on the acreage report;

(2) The amount of the FSA effective poundage marketing quota; or

(3) The amount determined at the final settlement of your claim.

(c) In the event of loss or damage covered by this policy, we will settle your claim by:

(1) Multiplying the insured acreage for the unit by the production guarantee per acre, by type if applicable;

(2) Subtracting the insured effective poundage marketing quota from the result of section 14(c)(1) to determine the amount of insured non-quota peanuts;

(3) Multiplying the insured effective poundage marketing quota and the result of section 14(c)(2) by the respective price election by type, if applicable, for quota and non-quota peanuts, respectively;

(4) Totaling the results of section 14(c)(3) (This amount will be the same as (3) if there is only one type);

(5) Multiply the production to count for quota and non-quota peanuts (see section 14(d)), for each type if applicable, by the respective price elections;

(6) Totaling the results of section 14(c)(5) (This amount will be the same as (5) if there is only one type);

(7) Subtracting the result of section 14(c)(6) from section 14(c)(4); and

(8) Multiplying the result in section 14(b)(7) and section 14(b)(8) by your share.

For example:

You have 100 percent share in 25 acres of Valencia peanuts in the unit, with a 2000 pounds per acre guarantee, an effective poundage marketing quota of 40,000 pounds, and a price election of $0.34 per pound for quota and $0.15 per pounds for non-quota. You are able to harvest 43,000 pounds in which 40,000 pounds are quota segregation I and 3,000 pounds are non-quota segregation II and III due to quality adjustment. Your indemnity would be calculated as follows:

(1) 25 acres × 2,000 pounds per acre = 50,000 pounds guarantee;

(2) 50,000 pounds guarantee − 40,000 pounds of effective marketing quota = 10,000 pounds of non-quota guarantee;

(3) 40,000 pounds × $.34 price election for quota = $13,600.00 value of guarantee; 10,000 pounds × $.15 price election for non-quota = $1,500.00 value of guarantee;

(4) $13,600.00 + $1,500.00 = $15,100.00 total of value of guarantee;

(5) 40,000 pounds of quota production to count × .34 = $13,600.00 quota value of production to count;

3,000 pounds of non-quota production to count × .15 = $450.00 non-quota value of production to count;

(6) $13,600.00 + $450.00 = $14,050.00 total value of production to count;

(8) $15,100.00 total value guarantee − $14,050.00 total value of production to count = $1,050.00 loss; and

(9) $1,050.00 value of loss × 100 percent = $1,050.00 indemnity payment.

(d) The total production to count (in pounds) from all insurable acreage on the unit will include all appraised and harvested production.

(e) All appraised production will include:

(1) Not less than the production guarantee for acreage:

(i) That is abandoned;

(ii) Put to another use without our consent;

(iii) Damaged solely by uninsured causes; or

(iv) For which you fail to provide production records that are acceptable to us; or

(v) Not replanted as required by this policy.

(2) Production lost due to uninsured causes;

(3) Unharvested production (mature unharvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 14(f)); and

(4) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(i) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

(ii) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(5) All harvested production from the insurable acreage.

(f) Mature peanut production that is damaged by insurable causes and for which the value per pound is less than the average support price per pound for the type will be adjusted by:

(1) Dividing the value per pound for the insured type of peanuts by the applicable average price per pound; and

(2) Multiplying this result by the number of pounds of such production.

(g) To enable us to determine the net weight and quality of production of any peanuts for which an ''Inspection Certificate and Sales Memorandum'' has not been issued, we must be given the opportunity to have such peanuts inspected and graded before you dispose of them. If you dispose of any production without giving us the opportunity to have the peanuts inspected and graded, the gross weight of such production will be used in determining total production to count unless you submit a marketing record satisfactory to us which clearly shows the net weight and quality of such peanuts.

(**Note:** In accordance with the Federal Crop Insurance Act, in the event of a crop loss, policyholders with the Catastrophic Risk Protection level of coverage must elect to either receive benefits under these Crop Provisions or if applicable, the Commodity Credit Corporation Quota Loan Pool Regulations.)

Signed in Washington, D.C., on June 3, 1998.

Kenneth D. Ackerman,

Manager, Federal Crop Insurance Corporation.

[FR Doc. 98–15302 Filed 6–8–98; 8:45 am]

BILLING CODE 3410–08–P

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Part 457

Grape Crop Provisions; Correction

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to the final regulation which was published in the **Federal Register** on Monday, June 23, 1997 (62 FR 33737–33744). The regulation pertains to the Grape Crop Provisions.

EFFECTIVE DATE: June 23, 1997.

FOR FURTHER INFORMATION CONTACT: John Meyer, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926–7730.

SUPPLEMENTARY INFORMATION:

Background

The final regulation that is the subject of this correction was intended to provide policy changes to better meet the needs of the insured and include the current Grape Crop Insurance Provisions with the Common Crop Insurance Policy for ease of use and consistency of terms.

Need for Correction

As published, the final regulation contains an error which may prove to be misleading and needs to be corrected to reflect the correct spelling of the word ''volcanic'.

List of Subjects in 7 CFR Part 457

Crop insurance, Grape crop provisions.

Accordingly, 7 CFR part 457 is corrected by making the following correcting amendment:

PART 457—COMMON CROP INSURANCE REGULATIONS; REGULATIONS FOR THE 1994 AND SUBSEQUENT CONTRACT YEARS

1. The authority citation for part 457 continues to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

§ 457.138 [Corrected]

2. In § 457.138, paragraph 10(a)(7) is corrected to read as follows: ''Volcanic eruption; or''.

Signed in Washington D.C. on June 1, 1998.

Kenneth D. Ackerman,

Manager, Federal Crop Insurance Corporation.

[FR Doc. 98–15303 Filed 6–8–98; 8:45 am]

BILLING CODE 3410–08–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–ANE–14–AD; Amendment 39–10568; AD 98–12–12]

RIN 2120–AA64

Airworthiness Directives; Allison Engine Company Model AE 3007A Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to Allison Engine Company Model AE 3007A turbofan engines. This action requires reprogramming the Full Authority Digital Engine Control (FADEC) to the latest, improved software version. This amendment is prompted by reports of inflight engine shutdowns due to inadequate fault accommodation logic. The actions specified in this AD are intended to prevent inflight engine shutdowns due to inadequate fault accommodation logic.

DATES: Effective June 24, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of June 24, 1998.

Comments for inclusion in the Rules Docket must be received on or before August 10, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–ANE–14–AD, 12 New England Executive Park, Burlington, MA 01803–5299. Comments may also be sent via the Internet using the following address: ''9-ad-engineprop@faa.dot.gov''. Comments sent via the Internet must contain the docket number in the subject line.

The service information referenced in this AD may be obtained from Allison Engine Company, P.O. Box 420, Speed Code U–15, Indianapolis, IN 46206–0420; telephone (317) 230–6674. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Kyri Zaroyiannis, Aerospace Engineer, Chicago Aircraft Certification Office, FAA, Small Airplane Directorate, 2300 East Devon Avenue, Des Plaines, IL 60018; telephone (847) 294–7836, fax (847) 294–7834.

SUPPLEMENTARY INFORMATION: The Federal Aviation Administration (FAA) has received reports of 5 inflight engine shutdowns on Allison Engine Company AE 3007 series turbofan engines due to inadequate fault accommodation logic. The current version of software has an error which leads to large fan speed transients during Main Metering Valve (MMV) fault accommodation of an in range failure. Also, the current version of software does not include modifications to the fault accommodation logic for an ITT sensor fault, to prevent a single failure in the ITT indication system from causing an in flight shutdown. This condition, if not corrected, may result in inflight engine shutdowns due to inadequate fault accommodation logic.

The FAA has reviewed and approved the technical contents of Allison Engine Company Alert Service Bulletin (ASB) No. AE 3007A–A–73–014, Revision 3, dated May 21, 1998, that describes procedures for reprogramming the FADEC software to the latest, improved version VI.2 [Allison Software Part Number 23068660; Allison FADEC assembly (with Software VI.2 installed) Part Number 23068661].

Since an unsafe condition has been identified that is likely to exist or develop on other engines of the same type design, this AD is being issued to prevent inflight engine shutdowns. This AD requires, at 200 flight hours after the effective date of this AD, reprogramming the FADEC software to the latest, improved version VI.2. The requirements of paragraph (b) of this AD have been coordinated with the Atlanta Aircraft Certification Office. The actions are required to be accomplished in accordance with the SB described previously.

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES.** All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 98–ANE–14–AD.'' The postcard will be date stamped and returned to the commenter.

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 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:

98–12–12 Allison Engine Company: Amendment 39–10568. Docket 98–ANE–14–AD.

Applicability: Allison Engine Company Model AE 3007A turbofan engines, installed on but not limited to Embraer EMB–145 series aircraft.

Note 1: This airworthiness directive (AD) applies to each engine 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 engines 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 (c) 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 inflight engine shutdowns due to inadequate fault accommodation logic, accomplish the following:

(a) Within 200 flight hours after the effective date of this AD, reprogram the FADEC software to version VI.2, [Allison Software Part Number 23068660; Allison FADEC assembly (with Software VI.2 installed) Part Number 23068661] in accordance with the Accomplishment Instructions of Allison Engine Company Alert Service Bulletin (ASB) No. AE 3007A–A–73–014, Revision 3, dated May 21, 1998.

(b) After completing the requirements of paragraph (a) of this AD, and then prior to further flight, revise the FAA-approved Airplane Flight Manual by incorporating Embraer Flight Manual AFM–145/1153, Revision 14, dated May 7, 1998.

(c) 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, Chicago Aircraft Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Chicago Aircraft Certification Office.

Note 2: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Chicago Aircraft Certification Office.

(d) 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 aircraft to a location where the requirements of this AD can be accomplished.

(e) The actions required by this AD shall be done in accordance with the following Allison Engine Company SB:

Document No.	Revision	Pages	Date
AE 3007A–A–73–014	3	1–6	May 21, 1998.

Total pages: 6.

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 Allison Engine Company, P.O. Box 420, Speed Code U–15, Indianapolis, IN 46206–0420; telephone (317) 230–6674. Copies may be inspected at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(f) This amendment becomes effective on June 24, 1998.

Issued in Burlington, Massachusetts, on May 29, 1998.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 98–15088 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–ANE–05; Amendment 39–10563; AD 98–12–07]

RIN 2120–AA64

Airworthiness Directives; Pratt & Whitney JT8D Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to Pratt & Whitney JT8D series engines, that currently requires a determination of the utilization rate and coating type of the 7th, 8th, 9th, 10th, 11th, and 12th stage high pressure compressor (HPC) disks, and removal, inspection for corrosion, and recoating of those HPC disks based on utilization rate. This amendment shortens the inspection interval for certain low utilization disks. This amendment is prompted by reports of an additional uncontained 9th stage HPC disk failure due to corrosion pitting. The actions specified by this AD are intended to prevent fracture of the HPC disks, which can result in uncontained release of engine fragments, inflight engine shutdown, and airframe damage.

DATES: Effective August 10, 1998.

The incorporation by reference of Pratt & Whitney Alert Service Bulletin No. 6038, Revision 5, dated August 17, 1994, as listed in the regulations, was approved previously by the Director of the Federal Register as of November 28, 1994 (59 FR 49175, September 27, 1994).

ADDRESSES: The service information referenced in this AD may be obtained from Pratt & Whitney, 400 Main St., East Hartford, CT 06108; telephone (860) 565–6600, fax (860) 565–4503. This information may be examined at the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA 01803–5299; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Christopher Spinney, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7175, fax (781) 238–7199.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) by superseding airworthiness directive (AD) 94–20–01, Amendment 39–9020 (59 FR 49175, September 27, 1994), applicable to Pratt & Whitney (PW) JT8D–1, –1A, –1B, –7, –7A, –7B, –9, –9A, –11, –15, –15A, –17, –17A, –17R, and –17AR turbofan engines was published in the **Federal Register** on September 17, 1997 (62 FR 48800). That action proposed the same record search and inspection program but on a more conservative inspection schedule, and that low utilization disks, regardless of the disk coating, would have to be inspected at an interval of 7 years since new, replate, or corrosion (YRSNRC) in accordance with the engine manual. Currently, the inspection interval for low utilization disks is based on the disk coating and the maximum inspection interval ranges from 9 to 11 YRSNRC depending on the part number and the type of coating. The high utilization disk inspection interval remained unchanged.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

Four commenters, comprising of 3 operators and the manufacturer, state that the proposed superseding rule should be withdrawn, based on the manufacturer's risk analysis, the lack of a defined unsafe condition, the lack of technical substantiation of the rule, and the belief that the current management plan is adequate to address the HPC disk corrosion issue. The FAA does not concur. The National Transportation Safety Board (NTSB) has determined from their investigation of the December 1995 accident that the most probable cause of the HPC disk failure was a fatigue crack which originated at a corrosion pit. The failed disk was last stripped of its protective coating and replated 8 years prior to the failure. The current AD and management plan requires reinspection of the disk at 10 year intervals. Therefore, the unsafe condition has been identified as the failure of a low utilization HPC disk prior to its currently mandated inspection interval. Risk analysis is used to develop a management plan to lower the probability of future events from occurring and cannot preclude a future event from occurring. The FAA establishes its confidence in the manufacturer's risk assessment by thoroughly reviewing the assumptions and modeling involved in developing the risk values. Although the FAA concurs that the manufacturer's risk assessment produces risk values that fall within typically acceptable limits, the FAA concludes that a more conservative corrective action is necessary. The acceptable risk limits are meant to be limits, and not typical values for allowable future risk. Establishing 7 years as the maximum inspection interval provides lowered risk without an onerous effect on the inspection and removal schedule, and, therefore, represents a desirable tradeoff. Furthermore, the reduced interval captures the concern of allowing a maximum inspection 25% in excess (10 years) of the recently-observed failure (8 years). While studies have determined that low utilization engines are more susceptible to corrosion because of the longer intervals between engine overhauls and the increased time spent stationary, subject to condensation, the FAA has determined that the statistical modeling of the onset and growth of a corrosion pit does not provide the level of confidence for the FAA to accept a longer interval. Therefore, the 7 year inspection interval was determined by the circumstances of the December 1995 accident. The disk failed 8 years after replating, therefore in order to lower the risk of a similar event 7 years was chosen as the maximum inspection interval. This provides an adequate margin of safety against an incident occurring 8 years after replating.

Three commenters state that the economic analysis is inadequate, as the costs don't take into account required early shop visits, costs associated with aircraft down time, and industry's inability to perform engine overhauls due to shortages of engine parts. The FAA does not concur as these costs do not directly stem from the AD's required actions. This AD does not require any additional action over and above the original AD; however, the FAA has chosen to adopt the original economic analysis for inclusion in this revision. The indirect costs associated with performing the maintenance actions required by this AD are not directly related to this proposed rule, and, therefore, are not addressed in the economic analysis for this rule. A full cost analysis for each AD, including such indirect costs, is not necessary since the FAA has already performed a cost benefit analysis when adopting the

part 33, airworthiness requirements to which these engines were originally certificated. A finding that an AD is warranted means that the original design no longer achieves the level of safety specified by those airworthiness requirements, and that other required actions are necessary, as in this case, stripping, corrosion inspecting and recoating or removing HPC disks. Because the original level of safety was already determined to be cost beneficial, these additional requirements needed to return the engine to that level of safety do not add any additional regulatory burden, and, therefore, a full cost analysis would be redundant and unnecessary.

Two commenters state that the years since last inspection (YRSLI) criteria has been removed from the AD. The FAA concurs with the following exception. The years since last corrosion inspection was in the original AD as a one-time relief to operators who may have recently installed a disk and had not replated, but had performed a corrosion inspection. It was intended as a one-time only category for a disk and is not intended for repetitive inspections. The FAA concludes, however, that the original intent of YRSLI should remain intact and will change the compliance accordingly, but has reduced in this final rule the compliance interval of YRSLI by 3 years to be consistent with the 3 year compliance interval reduction for years since new, replated, or corrosion inspected (YRSNRC).

One commenter states that the mixed utilization disks category has been removed from the AD, as high utilization disks that become low utilization disks in the current AD receive a 40% time credit for the years they are operated as high utilization disks. The FAA concurs and has added to this final rule the time credit for disks that are operated as high utilization disks and then become low utilization disks. Low utilization disks that become high utilization disks must remain in the low utilization category until replated, and thus receive no time credit for time spent as a high utilization disk.

One commenter states that engines will require immediate removal upon publication of the AD. The FAA does not concur. The FAA has considered the impact on industry from immediate removals of engines upon publication of the AD. Since this superseding AD contains the requirements of the current AD, only engines that are not currently in compliance with AD 94–20–01 should require immediate removal upon publication of this AD. Engines that fall outside of the new reinspection interval are given a reasonable drawdown period before compliance is required. Operators finding that immediate removal of engines is required may apply for relief through the procedures contained in the AD allowing for approval of an alternate method of compliance or an adjustment to the compliance time.

One commenter states that they will follow the FAA-approved data contained in the PW Centralized and Coordinated Telecommunications Utility System (CACTUS) wire dated January 1, 1997. The FAA does not concur. Operators are reminded that PW's CACTUS wire is not FAA-approved data. It is simply PW's method of communicating their recommendations to their operators. Further, FAA approval of maintenance plans does not constitute approval of an alternate method of complying with actions required by an AD. The exclusive procedure for seeking approval of an alternate method of compliance is provided in the AD.

One commenter requests that previous alternative methods of compliance (AMOCs) should be applicable to this AD. The FAA concurs in part. The AMOCs to this AD are not intended to be different from the AD which it is superseding; however, the intervals for compliance are being adjusted by this AD. Therefore, approved AMOCs to AD 94–20–01 are approved for this AD, but adjustments to compliance times which were approved for 94–20–01 are not approved for this AD.

One commenter requests clarification of partial year calculations. The FAA concurs in part. The FAA agrees that a partial year calculation of utilization rate is acceptable if a disk enters service at a time other than an operator's calculation interval. However, the FAA does not concur that a note is necessary in the AD to clarify this as it would unduly add to the complexity of the AD and that individual questions of this nature can best be handled on an individual basis.

Five commenters concur with the rule as proposed.

New part numbers compressor disks have been introduced by PW and approved for use by the FAA. However, these disks also require a corrosion inspection for all of the same reasons stated in the NPRM and this AD. Not adding the additional part numbers to the NPRM was an unintentional oversight. Since the introduction of the new part numbers was only introduced last year, no drawdown interval is specified or required. The addition of paragraph (d)(5) in the final rule poses no undo burden on operators and meets the intent of the NPRM.

In addition, the FAA has clarified the phrasing in the compliance section of this AD to better explain the requirements for corrosion inspections.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes described previously. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

There are approximately 11,119 engines of the affected design in the worldwide fleet. The FAA estimated that 6,815 engines installed on aircraft of U.S. registry were affected by AD 94–20–01, and 2 work hours would be necessary to determine the utilization rate and type of surface treatment. Based on domestic fleetwide data, the FAA estimated that approximately 8.7% or 593 engines were considered to have low utilization rates. Approximately 8.6 work hours would be required to remove these engines from the aircraft, 500 work hours to tear down, deblade, and to reassemble the engine, and 8.6 work hours to reinstall the reassembled engines. For the purposes of this cost analysis only, the FAA has conservatively estimated that 69% of the removed low utilization engines would require replacing the disks inspected. The FAA assumed that 3 disks per engine may require replacement, and the cost of a new disk would be approximately $7,000. The average labor rate is $60 per work hour. Based on these figures, the total cost impact of AD 94–20–01 on U.S. operators was estimated to be $14,279,542. The cost increase between AD 94–20–01 and this superseding AD is based on the increased inspections of some low utilization disks. The FAA estimates 31% of the low utilization disks require an additional inspection. The cost of these additional inspections is estimated to be $4,426,658.

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.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under

Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it 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 removing amendment 39–9029 (59 FR 49175, September 27, 1994) and by adding a new airworthiness directive, Amendment 39–10563, to read as follows:

98–12–07 Pratt & Whitney: Amendment 39–10563. Docket 97–ANE–05. Supersedes AD 94–20–01, Amendment 39–9029.

Applicability: Pratt & Whitney (PW) JT8D–1, –1A, –1B, –7, –7A, –7B, –9, –9A, –11, –15, –15A, –17, –17A, –17R, and –17AR turbofan engines installed on but not limited to Boeing 737 and 727 series, and McDonnell Douglas DC–9 series aircraft.

Note 1: This airworthiness directive (AD) applies to each engine 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 engines 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 (j) 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 fracture of the high pressure compressor (HPC) disks, which can result in uncontained release of engine fragments, inflight engine shutdown, and airframe damage, accomplish the following:

(a) Within four months of the effective date of this AD, determine the fleet and sub-fleet average engine utilization rate for the 12 months of operations prior to August 17, 1994, the issue date of PW Alert Service Bulletin (ASB) No. 6038, Revision 5, in accordance with paragraph 2.A of PW ASB No. 6038, Revision 5, dated August 17, 1994.

(1) For fleet or sub-fleet average utilization rates that are equal to or greater than 1,300 hours per year, and equal to or greater than 900 cycles per year, perform the following:

(i) For engines or stage 7 through stage 12 HPC disks that were added to a fleet or subfleet after November 28,1994, and that were previously designated as low utilization disks in accordance with PW ASB No. 6038, Revision 5, dated August 17, 1994, comply with the requirements of paragraph (d) of this AD.

(ii) Designate all other stage 7 through stage 12 HPC disks as high utilization disks and comply with the requirements of paragraph (b) of this AD.

(2) For fleet or sub-fleet average utilization rates that are less than 1,300 hours per year or less than 900 cycles per year, within four months after the effective date of this AD, determine the utilization rate for each stage 7 through stage 12 HPC disk in accordance with paragraph 2.B.(1) of PW ASB No. 6038, Revision 5, dated August 17, 1994.

(i) For each stage 7 through stage 12 HPC disk with an initial utilization rate equal to or greater than 1,300 hours per year, and equal to or greater than 900 cycles per year, designate this disk as a high utilization disk and inspect in accordance with paragraph (c) of this AD.

(ii) For each stage 7 through stage 12 HPC disk with an initial utilization rate less than 1,300 hours per year or less than 900 cycles per year, designate this disk as a low utilization disk and inspect in accordance with paragraph (d) of this AD.

(iii) For each stage 7 through stage 12 HPC disk with an unknown initial utilization rate, designate this disk as a low utilization disk and inspect in accordance with paragraph (d) of this AD.

Note 2: Once a disk is designated as low utilization, then it must retain this designation for the life of the disk or until recoated.

(iv) For recoated or new disks, designate these disks as high utilization disks and inspect in accordance with paragraph (c) of this AD.

(b) For high average utilization fleets and sub-fleets, excluding those disks identified in paragraph (a)(1)(i) of this AD, perform the following for each stage 7 through stage 12 HPC disk in that fleet or sub-fleet:

(1) Inspect, and recoat or replace if necessary, at the next part accessibility of the disk, in accordance with paragraph 2.D.(1)(b) and Chart A of PW ASB No. 6038, Revision 5, dated August 17, 1994.

(2) Recalculate the fleet or sub-fleet average utilization rate at 12 month intervals after the previous date of utilization determination in accordance with paragraph 2.B of PW ASB No. 6038, Revision 5, dated August 17, 1994.

(i) For fleet or sub-fleet average utilization rates that are equal to or greater than 1,300 hours per year, and equal to or greater than 900 cycles per year, continue to designate all stage 7 through stage 12 HPC disks as high utilization disks and comply with the requirements of paragraph (b) of this AD.

(ii) For fleet or sub-fleet average utilization rates that are less than 1,300 hours per year or less than 900 cycles per year, within four months of compliance with paragraph (b)(2) of this AD, determine the utilization rate for each stage 7 through stage 12 HPC disk in accordance with paragraph 2.B.(1) of PW ASB No. 6038, Revision 5, dated August 17, 1994, as follows:

(A) For each stage 7 through stage 12 HPC disk with a utilization rate equal to or greater than 1,300 hours per year, and equal to or greater than 900 cycles per year, designate this disk as a high utilization disk and inspect in accordance with paragraph (c) of this AD.

(B) For each stage 7 through stage 12 HPC disk with a utilization rate less than 1,300 hours per year or less than 900 cycles per year, designate this disk as a low utilization disk and inspect in accordance with paragraph (d) of this AD.

(C) For each stage 7 through stage 12 HPC disk with an unknown utilization rate, designate this disk as a low utilization disk and inspect in accordance with paragraph (d) of this AD.

Note 3: Once a disk is designated as low utilization, then it must retain this designation for the life of the disk or until recoated.

(c) For high utilization stage 7 through stage 12 HPC disks, perform the following:

(1) Inspect, and recoat or replace if necessary, at the next part accessibility of the disk, in accordance with paragraph 2.D.(1)(b) and Chart A of PW ASB No. 6038, Revision 5, dated August 17, 1994.

(2) Calculate the disk utilization rate at 12 month intervals after the previous date of utilization determination, or after installation of new or recoated disks, in accordance with paragraph 2.B.(3) of PW ASB No. 6038, Revision 5, dated August 17, 1994.

(i) For stage 7 through stage 12 HPC disks designated as high utilization in accordance with (c)(2), comply with the requirements of paragraph (c)(1) of this AD.

(ii) For stage 7 through stage 12 HPC disks designated as low utilization in accordance with (c)(2), comply with the requirements of paragraph (d) of this AD.

(d) For low utilization stage 7 through stage 12 HPC disks, perform the following:

(1) For Nickel Cadmium coated disks listed by Part Number (P/N) in Chart B of PW ASB No. 6038, Revision 5, dated August 17, 1994, and Aluminide coated disks listed by P/N in Chart C of PW ASB 6038, Revision 5, dated August 17, 1994, strip protective coating, corrosion inspect, and recoat or remove from service in accordance with PW JT8D Engine Manual, P/N 481672, at the time intervals specified in Table A or Table B of this AD, whichever occurs later.

TABLE A.—YEARS SINCE NEW, RECOATED, OR CORROSION INSPECTION (YRSNRC) INTERVAL FOR LOW UTILIZATION DISKS—NICAD COATED DISKS FROM CHART B OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994, AND ALUMINIDE COATED DISKS FROM CHART C OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994

Years since new, recoated or corrosion inspected (YRSNRC)	Remove to inspect and recoat or replace
Less than or equal to 5	By 7 YRSNRC.
Greater than 5 but less than or equal to 6	Within 24 months.
Greater than 6 but less than or equal to 7	Within 18 months.
Greater than 7 but less than or equal to 8	Within 15 months.
Greater than 8 but less than or equal to 9	Within 12 months.
Greater than 9 but less than or equal to 10	Before reaching 10 YRSNRC.
Greater than 10	Before further flight.

TABLE B.—YEARS SINCE LAST NON-CORROSION INSPECTION (YRSLI) INTERVAL FOR LOW UTILIZATION DISKS—NICAD COATED DISKS FROM CHART B OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994, AND ALUMINIDE COATED DISKS FROM CHART C OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994

Years since last non-corrosion inspection prior to November 28, 1994 (YRSLI)	Remove to inspect and recoat or replace
Less than or equal to 3	By 5 YRSLI.
Greater than 3 but less than or equal to 5	Within 24 months.
Greater than 5 but less than or equal to 6	Within 18 months.
Greater than 6 but less than or equal to 7	Within 12 months.
Greater than 7 but less than or equal to 8	Before reaching 8 YRSLI.
Greater than 8	Before further flight.

(2) For Nickel Cadmium coated disks listed by P/N in Chart C of PW ASB No. 6038, Revision 5, dated August 17, 1994, strip protective coating, corrosion inspect, and recoat or remove from service in accordance with PW JT8D Engine Manual, P/N 481672, at the time intervals specified in Table C or Table D of this AD, whichever occurs later.

TABLE C.—YRSNRC INSPECTION INTERVAL FOR LOW UTILIZATION DISKS—NICAD COATED DISKS FROM CHART C OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994

Years since new, recoated or corrosion inspected (YRSNRC)	Remove to inspect and recoat or replace
Less than or equal to 5	By 7 YRSNRC.
Greater than 5 but less than or equal to 6	Within 24 months.
Greater than 6 but less than or equal to 7	Within 21 months.
Greater than 7 but less than or equal to 8	Within 18 months.
Greater than 8 but less than or equal to 9	Within 15 months.
Greater than 9 but less than or equal to 10	Within 12 months.
Greater than 10 but less than or equal to 11	Before reaching 11 YRSNRC.
Greater than 11	Before further flight.

TABLE D.—YRSLI INSPECTION INTERVAL FOR LOW UTILIZATION DISKS—NICAD COATED DISKS FROM CHART C OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994

Years since last non-corrosion inspection prior to November 28, 1994 (YRSLI)	Remove to inspect and recoat or replace
Less than or equal to 4	By 6 YRSLI.
Greater than 4 but less than or equal to 6	Within 24 months.
Greater than 6 but less than or equal to 7	Within 18 months.
Greater than 7 but less than or equal to 8	Within 12 months.
Greater than 8 but less than or equal to 9	Before reaching 9 YRSLI.
Greater than 9	Before further flight.

(3) For Aluminide coated disks listed by P/N in Chart B of PW ASB No. 6038, Revision 5, dated August 17, 1994, strip protective coating, corrosion inspect, and recoat or remove from service in accordance with PW JT8D Engine Manual, P/N 481672, at the time intervals specified in Table E or Table F of this AD, whichever occurs later.

TABLE E.—YRSNRC INSPECTION INTERVAL FOR LOW UTILIZATION DISKS ALUMINIDE COATED DISKS FROM CHART B OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994

Years since new, recoated or corrosion inspected (YRSNRC)	Remove to inspect and recoat or replace
Less than or equal to 5	By 7 YRSNRC.

TABLE E.—YRSNRC INSPECTION INTERVAL FOR LOW UTILIZATION DISKS ALUMINIDE COATED DISKS FROM CHART B OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994—Continued

Years since new, recoated or corrosion inspected (YRSNRC)	Remove to inspect and recoat or replace
Greater than 5 but less than or equal to 6	Within 24 months.
Greater than 6 but less than or equal to 7	Within 18 months.
Greater than 7 but less than or equal to 8	Within 12 months.
Greater than 8 but less than or equal to 9	Before reaching 9 YRSNRC.
Greater than 9	Before further flight.

TABLE F.—YRSLI INSPECTION INTERVAL FOR LOW UTILIZATION DISKS ALUMINIDE COATED DISKS FROM CHART B OF PW ASB NO. 6038, REVISION 5, DATED AUGUST 17, 1994

Years since last non-corrosion inspection prior to November 28, 1994 (YRSLI)	Remove to inspect and recoat or replace
Less than or equal to 2	By 4 YRSLI.
Greater than 2 but less than or equal to 4	Within 24 months.
Greater than 4 but less than or equal to 5	Within 18 months.
Greater than 5 but less than or equal to 6	Within 12 months.
Greater than 6 but less than or equal to 7	Before reaching 7 YRSLI.
Greater than 7	Before further flight.

(4) For all other low utilization stage 7 through stage 12 HPC disks, strip protective coating, corrosion inspect, and recoat or remove from service in accordance with the PW JT8D Engine Manual, P/N 481672, prior to 7 years since new, recoated, or corrosion inspected (YRSNRC).

(5) For disks that are categorized as high utilization and subsequently entered low utilization service, YRSNRC can be adjusted as follows and applied to Table A, Table C, and Table E of this AD:

(i) Adjusted YRSNRC = (0.60) × (years utilized at a rate greater than or equal to 1,300 hours per year, and greater than or equal to 900 cycles per year) + (years classified as low utilization).

(ii) Once a disk enters low utilization service it must remain in that category and an adjustment to YRSNRC cannot be made for any subsequent high utilization operation.

(iii) Years Since Last Non-Corrosion Inspection prior to November 18, 1994 (YRSLI) is a one-time interval only and cannot be used as a repetitive interval.

(e) For stage 7 through stage 12 HPC disks that have been recoated in accordance with paragraphs (b)(1), (c)(1), or (d)(1) of this AD, designate these disks as high utilization and perform the following:

(1) For disks installed in an engine that is part of a high utilization fleet, comply with the requirements of paragraph (b) of this AD.

(2) For disks installed in an engine that is part of a low utilization fleet, comply with the requirements of paragraph (c) of this AD.

(f) For the purpose of this AD, recoat of an HPC disk is defined as removal and application of new plating or coating in accordance with Sections 72–36–41, Repair 02; 72–36–42, Repair 02; 72–36–43, Repair 03; 72–36–44, Repair 03; 72–36–45, Repair 03; or 72–36–46, Repair 03, as applicable, of PW JT8D Engine Manual P/N 481672.

(g) For the purpose of this AD, a corrosion inspection is defined as performing an inspection in accordance with PW Engine Manual 481672, section 72–36–41, inspection 01 for stage 7 disks, section 72–36–42, inspection 02, for 8th stage disks, section 72–36–43, inspection 02 for 9th stage disks, section 72–36–44, inspection 02 for 10th stage disks, section 72–36–45, inspection 02 for 11th stage disks, section 72–36–46, inspection 02 for 12th stage disks.

(h) For the purpose of this AD, part accessibility is defined as the removal of the disk from the engine and deblading of that disk.

(i) For the purpose of this AD, a sub-fleet is defined as any individual aircraft or any portion of an operator's fleet that operates in a separate and unique route structure, characterized by different flight lengths, frequencies, or geographic location.

(j) 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, Engine Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Engine Certification Office. Alternate methods of compliance approved for AD 94–20–01 are approved for this AD; adjustments to compliance times approved for AD 94–20–01 are not approved for this AD.

Note 4: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Engine Certification Office.

(k) 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 aircraft to a location where the requirements of this AD can be accomplished.

(l) The actions required by this AD shall be done in accordance with the following PW ASB:

Document No.	Pages	Revision	Date
PW ASB No. 6038	1	5	August 17, 1994.
	2	Original	August 5, 1991.
	3	5	August 17, 1994.
	4–6	4	July 13, 1994.
	7–26	5	August 17, 1994.
Appendix A	27–41	5	August 17, 1994.
Appendix B NDIP–803	1–33	4	July 13, 1994.
Appendix to NDIP–803	1–2	4	July 13, 1994.
Total Pages: 76.			

The incorporation by reference of PW ASB No. 6038, Revision 5, dated August 17, 1994, was approved previously by the Director of the Federal Register as of November 28, 1994 (59 FR 49175, September 27, 1994). Copies may be obtained from Pratt & Whitney, 400 Main St., East Hartford, CT 06108; telephone (860) 565–6600, fax (860) 565–4503. Copies may be inspected at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(m) This amendment becomes effective on August 10, 1998.

Issued in Burlington, Massachusetts, on May 29, 1998.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 98–15086 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96–NM–184–AD; Amendment 39–10573; AD 98–12–18]

RIN 2120–AA64

Airworthiness Directives; Airbus Model A320–111, –211, and –231 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain Airbus Model A320–111, –211, and –231 series airplanes, that requires repetitive inspections for cracking in the transition and pick-up angles in the lower part of the center fuselage area, and corrective action, if necessary. This amendment also provides for an optional terminating modification for the repetitive inspection requirements. This amendment is prompted by the issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by this AD are intended to detect and correct fatigue cracking in the transition and pick-up angles of the lower part of the center fuselage, which could result in reduced structural integrity of the wing-fuselage support and fuselage pressure vessel.

DATES: Effective July 14, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of July 14, 1998.

ADDRESSES: The service information referenced in this AD may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to certain Airbus Model A320–111, –11, and –231 series airplanes was published in the **Federal Register** on November 19, 1997 (62 FR 61704). That action proposed to require repetitive inspections for cracking in the transition and pick-up angles in the lower part of the center fuselage area, and corrective action, if necessary. That action also proposed to provide for an optional terminating modification for the repetitive inspection requirements.

Comments

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

Two commenters support the proposed rule.

One commenter supports the intent of the proposed rule, but identifies a redundancy that appears in paragraph (a)(2)(i)(A) of the proposed AD. The commenter notes that the repetitive inspection requirements of this paragraph specify accomplishment of both a visual and a rotating probe (eddy current) inspection, whereas the original requirement was only for an eddy current inspection. Since the eddy current inspection provides a greater detailed inspection than a visual inspection, the commenter states that the visual inspection should not be necessary. The FAA concurs and has revised paragraph (a)(2)(i)(A) of the final rule accordingly.

Additionally, paragraphs (a)(1)(i)(B), (a)(1)(ii), and (a)(2)(i)(B) of the final rule have been revised to cite only Revision 2 of Airbus Service Bulletin A320–53–1027 for accomplishment of certain actions. Revision 2 contains no substantive differences from the original or Revision 1 of the service bulletin. A ''NOTE'' has been added to the final rule to give credit to operators who may have previously accomplished the required actions in accordance with these earlier versions of the service bulletin.

Conclusion

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the change previously described. The FAA has determined that this change will neither increase the economic burden on any operator nor increase the scope of the AD.

Cost Impact

The FAA estimates that 24 airplanes of U.S. registry will be affected by this AD.

It will take approximately 9 work hours per airplane to accomplish the required inspections, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspections required by this AD on U.S. operators is estimated to be $12,960, or $540 per airplane, per inspection cycle.

It will take approximately 10 work hours per airplane to accomplish the required modification, at an average labor rate of $60 per work hour. Required parts will cost approximately $2,895 per airplane. Based on these figures, the cost impact of the modification required by this AD on U.S. operators is estimated to be $83,880, or $3,495 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

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.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under

Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it 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:

98–12–18 Airbus Industrie: Amendment 39–10573. Docket 96–NM–184–AD.

Applicability: Model A320–111, –211, and –231 series airplanes, manufacturer's serial numbers 002 through 008 inclusive, 010 through 014 inclusive, 016 through 078 inclusive, and 080 through 107 inclusive; 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 detect and correct reduced structural integrity of the wing-fuselage support and fuselage pressure vessel resulting from structural fatigue cracking in the transition and pick-up angles, accomplish the following:

(a) Prior to the accumulation of 16,000 total landings, or within 6 months after the effective date of this AD, whichever occurs later, accomplish paragraphs (a)(1) and (a)(2) of this AD, in accordance with Airbus Service Bulletin A320–53–1028, dated March 1, 1994.

(1) Perform a visual inspection to detect cracks of the transition angle, in accordance with the service bulletin.

(i) If no crack is detected during the visual inspection required by paragraph (a)(1) of this AD, accomplish either paragraph (a)(1)(i)(A) or paragraph (a)(1)(i)(B) of this AD.

(A) Repeat the visual inspection thereafter at intervals not to exceed 12,000 landings. Or

(B) Prior to further flight, modify the center fuselage in accordance with Airbus Service Bulletin A320–53–1027, Revision 2, dated June 8, 1995. Accomplishment of the modification constitutes terminating action for the repetitive inspection requirements of paragraph (a)(1)(i)(A) of this AD.

(ii) If any crack is detected during the visual inspection required by paragraph (a)(1) of this AD, prior to further flight, replace the transition angle with a new transition angle, in accordance with Airbus Service Bulletin A320–53–1027, Revision 2, dated June 8, 1995.

(2) Perform a rotating probe inspection to detect cracks of the pick-up angle, in accordance with the service bulletin.

(i) If no crack is detected during the rotating probe inspection required by paragraph (a)(2) of this AD, accomplish either paragraph (a)(2)(i)(A) or (a)(2)(i)(B) of this AD.

(A) Repeat the rotating probe inspection thereafter at intervals not to exceed 12,000 landings. Or

(B) Prior to further flight, modify the center fuselage in accordance with Airbus Service Bulletin A320–53–1027, Revision 2, dated June 8, 1995. Accomplishment of the modification constitutes terminating action for the repetitive inspection requirements of paragraph (a)(2)(i)(A) of this AD.

(ii) If any crack is detected and it is less than 1.9 mm in length, prior to further flight, accomplish the applicable corrective actions specified in the service bulletin. For holes that have not been modified in accordance with the service bulletin, repeat the rotating probe inspection thereafter at intervals not to exceed 12,000 landings.

(iii) If any crack is detected and it is 1.9 mm or greater in length, prior to further flight, repair it in accordance with the method approved by the Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate.

Note 2: Accomplishment of the modification or replacement required by paragraph (a) of this AD in accordance with Airbus Service Bulletin A320–53–1027, dated March 1, 1994, or Revision 1, dated September 5, 1994, prior to the effective date of this AD, is acceptable for compliance with this paragraph.

(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, International Branch, ANM–116. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(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 inspections shall be done in accordance with Airbus Service Bulletin A320–53–1028, dated March 1, 1994. The modification and replacement shall be done in accordance with Airbus Service Bulletin A320–53–1027, Revision 2, dated June 8, 1995. Airbus Service Bulletin A320–53–1027, Revision 2, dated June 8, 1995, contains the following list of effective pages:

Page No.	Revision level shown on page	Date shown on page
1–6, 8, 10–16, 19.	2	June 8, 1995.
7, 17, 18, 20.	Original ..	March 1, 1994.
9	1	September 5, 1994.

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 Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. 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.

Note 4: The subject of this AD is addressed in French airworthiness directive 95–097–065(B), dated May 24, 1995.

(e) This amendment becomes effective on July 14, 1998.

Issued in Renton, Washington, on June 2, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15134 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–NM–321–AD; Amendment 39–10444; AD 98–12–17]

RIN 2120–AA64

Airworthiness Directives; British Aerospace Model Viscount 744, 745, 745D, and 810 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Direct final rule; confirmation of effective date.

SUMMARY: This document confirms the effective date of a direct final rule published on April 2, 1998, which adopted a new airworthiness directive (AD) that is applicable to all British Aerospace Model Viscount 744, 745, 745D, and 810 series airplanes. This amendment requires repetitive inspections to detect cracking and corrosion of components of the engine nacelle subframe structure, and corrective action, if necessary; and replacement of any component that has reached its life limit (safe life) with a new or serviceable component. This amendment is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified in this AD are intended to ensure periodic replacement of certain engine nacelle subframe components that have reached their maximum life limits. Cracking and corrosion of these components, if not detected and corrected in a timely manner, could result in reduced structural integrity of the engine nacelle subframe structure, separation of the engine from the airframe, and reduced controllability of the airplane.

EFFECTIVE DATE: The direct final rule published at 63 FR 16111 is effective on July 1, 1998.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION: The FAA published this direct final rule with request for comments in the **Federal Register** on April 2, 1998 (63 FR 16111). The FAA uses the direct final rulemaking procedure for a non-controversial rule where the FAA anticipates that there will be no adverse public comment. This direct final rule advised the public that no adverse comments were anticipated, and that unless a written adverse comment, or a written notice of intent to submit such an adverse comment, was received within the comment period, the regulation would become effective on July 1, 1998. No adverse comments were received, and thus this document confirms that this final rule will become effective on that date, with the airworthiness directive (AD) number shown at the beginning of this document.

Issued in Renton, Washington, on June 2, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15133 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–SW–07–AD; Amendment 39–10571; AD 98–12–15]

RIN 2120–AA64

Airworthiness Directives; Eurocopter France Model AS 332C, L, L1, and L2 Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to Eurocopter France Model AS 332C, L, L1, and L2 helicopters that requires visually inspecting the intermediate gearbox-to-structure attachment stirrup (stirrup) front tabs for cracks, and if a crack is discovered, removing the intermediate gearbox and replacing it with an airworthy intermediate gearbox; and inspecting for the conformity of the attachment parts. This amendment is prompted by five reports of failure of the two stirrup tabs. The actions specified by this AD are intended to prevent failure of the intermediate gearbox stirrup front tabs, loss of anti-torque drive, and subsequent loss of control of the helicopter.

DATES: Effective July 14, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of July 14, 1998.

ADDRESSES: The service information referenced in this AD may be obtained from American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, Texas 75053–4005. This information may be examined at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Mr. Scott Horn, Aerospace Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, 2601 Meacham Blvd., Fort Worth, Texas 76137, telephone (817) 222–5125, fax (817) 222–5961.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to Eurocopter France Model AS 332C, L, L1, and L2 helicopters was published in the **Federal Register** on April 7, 1998 (63 FR 16916). That action proposed to require visually inspecting the stirrup front tabs for cracks, and if a crack is discovered, removing the intermediate gearbox and replacing it with an airworthy intermediate gearbox; and inspecting for the conformity of the attachment parts.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the public interest require the adoption of the rule as proposed except for an editorial change in the ''Applicability'' section of the AD where the word ''and'' has been changed to ''or.'' This change is to make it clear that this AD applies to the affected model helicopters when either of the three part numbers is installed. The FAA has determined that this change will neither increase the economic burden on an operator nor increase the scope of the AD.

The FAA estimates that 4 helicopters of U.S. registry will be affected by this AD, that it will take approximately 0.25 work hours to inspect the tabs, and 3 work hours to inspect for conformity, and that the average labor rate is $60 per work hour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $780.

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.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it 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 a new airworthiness directive to read as follows:

AD 98–12–15 Eurocopter France: Amendment 39–10571. Docket No. 98–SW–07–AD.

Applicability: Model AS 332C, L, L1, and L2 helicopters, with intermediate gearboxes (IGB), part numbers (P/N) 332A35–0002 all dash numbers, 332A35–0010 all dash numbers, or 332A35–0011–01, installed, except those IGBs modified in accordance with MOD 0761049 or MOD 0761050, certificated in any category.

Note 1: This AD applies to each helicopter 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 helicopters that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (c) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition, or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any helicopter from the applicability of this AD.

Compliance: Required as indicated, unless accomplished previously.

To prevent failure of the IGB-to-structure attachment stirrup (stirrup) front tabs, loss of anti-torque drive, and subsequent loss of control of the helicopter, accomplish the following:

(a) Before the first flight of each day, perform a visual inspection of the stirrup front tabs for cracks in accordance with paragraph 2.B.1) of the Accomplishment Instructions in Eurocopter France AS 332 Service Bulletin 01.00.47, Revision No. 1, dated September 10, 1997 (SB). If a crack is found, remove the IGB and replace it with an airworthy IGB before further flight. Completion of the conformity procedure contained in paragraph 2.B.2.1.3) of the SB is terminating action for the requirement of this AD to inspect for cracks prior to the first flight of each day.

(b) Within 100 hours time-in-service (TIS), inspect the two front attaching assemblies securing the stirrup of the IGB to the angle bracket of the structure (attachment assembly) for thickness of the stirrup front tabs in accordance with paragraph 2.B.2) of the SB.

(1) If the attachment assembly meets the conformity requirements of either paragraph 2.B.2.1.1) or 2.B.2.1.2) of the SB, reassemble the attachment assembly in accordance with paragraph 2.B.2.1.3) of the SB.

(2) If the attachment assembly does not meet the conformity requirements of either paragraph 2.B.2.1.1) or 2.B.2.1.2) of the SB, replace it with an attachment assembly which does meet the conformity requirements of either of those paragraphs. Install the attachment assembly hardware in accordance with 2.B.2.1.3) of the SB.

(3) If a crack is discovered in the stirrup front tabs as a result of the conformity inspection, remove the IGB and replace it with an airworthy IGB before further flight.

(c) 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, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff. Operators shall submit their requests through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Rotorcraft Standards Staff.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Rotorcraft Standards Staff.

(d) 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 helicopter to a location where the requirements of this AD can be accomplished.

(e) The inspections and replacement, if necessary, shall be done in accordance with Eurocopter France AS 332 Service Bulletin 01.00.47, Revision No. 1, dated September 10, 1997. 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 American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, Texas 75053–4005. Copies may be inspected at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(f) This amendment becomes effective on July 14, 1998.

Note 3: The subject of this AD is addressed in Direction Generale De L'Aviation Civile (France) AD 96–263–060(AB)R1 for Eurocopter France (ECF) Model AS 332C, L, and L1 helicopters, and AD 96–262–004(AB)R1 for ECF Model AS 332L2 helicopters, both dated November 5, 1997.

Issued in Fort Worth, Texas, on May 29, 1998.

Henry A. Armstrong,

Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 98–15124 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–SW–07–AD; Amendment 39–10572; AD 98–12–16]

RIN 2120–AA64

Airworthiness Directives; Eurocopter France Model SA 330F, G, and J Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to Eurocopter France Model SA 330F, G, and J helicopters that requires visually inspecting the intermediate gearbox (IGB) fairing safety stop (safety stop) for cracks, crazing, or edge wear, and if a crack, crazing, or edge wear exceeds the established limits, replacing the safety stop; and, inspecting to ensure that the inclined drive shaft fairing hinge pin is properly locked. A terminating action is provided in the AD by installing an additional safety stop on the IGB fairing. This amendment is prompted by one report of an accident involving the loss of the inclined drive shaft fairing. The actions specified by this AD are intended to prevent loss of the inclined drive shaft fairing, impact with the tail rotor, and subsequent loss of control of the helicopter.

DATES: Effective July 14, 1998.

The incorporation by reference of certain publications listed in the

regulations is approved by the Director of the Federal Register as of July 14, 1998.

ADDRESSES: The service information referenced in this AD may be obtained from American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, Texas 75053–4005. This information may be examined at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Mr. Mike Mathias, Aerospace Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, 2601 Meacham Blvd., Fort Worth, Texas 76137, telephone (817) 222–5123, fax (817) 222–5961.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to Eurocopter France Model SA 330F, G, and J helicopters was published in the **Federal Register** on January 22, 1998 (63 FR 3273). That action proposed to require visually inspecting the IGB safety stop for cracks, crazing, or edge wear, and if a crack, crazing, or edge wear exceeds the established limits, replacing the safety stop; and, inspecting to ensure that the inclined drive shaft fairing hinge pin is properly locked. A terminating action was provided in the AD by installing an additional safety stop on the IGB fairing.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the public interest require the adoption of the rule as proposed.

The FAA estimates that 1 helicopter of U.S. registry will be affected by this AD, that it will take approximately 1 work hour to perform the inspection and two work hours to install the safety stop, and that the average labor rate is $60 per work hour. Required parts will cost approximately $50 per helicopter. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $230.

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.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it 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 a new airworthiness directive to read as follows:

AD 98–12–16 Eurocopter France: Amendment 39–10572. Docket No. 97–SW–07–AD.

Applicability: Model SA 330 F, G, and J helicopters, certificated in any category.

Note 1: This AD applies to each helicopter 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 helicopters that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (d) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition, or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any helicopter from the applicability of this AD.

Compliance: Required as indicated, unless accomplished previously.

To prevent loss of the inclined drive shaft fairing hinge pin (hinge pin), that could result in loss of the inclined drive shaft fairing, impact with the tail rotor, and subsequent loss of control of the helicopter, accomplish the following:

(a) Within 7 calendar days after the effective date of this AD, and thereafter, upon the completion of the last flight of each day, visually inspect the intermediate gearbox (IGB) fairing safety stop (safety stop) and the hinge pin in accordance with the Accomplishment Instructions of Eurocopter France SA 330 Service Bulletin No. 54.20, Revision 1, dated February 27, 1996.

(1) Inspect the IGB fairing safety stop, part number (P/N) 330A24–2086–20, for cracks, crazing, and edge wear that exceeds the limits stated in Note II of the Accomplishment Instructions of Eurocopter France SA 330 Service Bulletin No. 54.20, Revision 1, dated February 27, 1996, and if cracks, crazing, or edge wear that exceeds the established limits is detected, remove the safety stop and replace it with an airworthy safety stop; and,

(2) Inspect the hinge pin to ensure it is properly locked.

(b) Within 60 calendar days after the effective date of this AD, install an additional safety stop, P/N 330A24–2119–21, to prevent the hinge pin from backing out of its hole in case of a locking arm failure, in accordance with Accomplishment Instructions of Eurocopter France SA 330 Service Bulletin No. 54.20, Revision 1, dated February 27, 1996.

(c) Installation of an airworthy additional safety stop, P/N 330A24–2119–21, constitutes terminating action for the requirements of this AD.

(d) 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, Rotorcraft Standards Staff, Rotorcraft Directorate, FAA. Operators shall submit their requests through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Rotorcraft Standards Staff.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Rotorcraft Standards Staff.

(e) 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 helicopter to a location where the requirements of this AD can be accomplished.

(f) The inspection shall be done in accordance with the Accomplishment Instructions of Eurocopter France SA 330 Service Bulletin No. 54.20, Revision 1, dated February 27, 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 American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, Texas 75053–4005. Copies may be inspected at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the

Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(g) This amendment becomes effective on July 14, 1998.

Note 3: The subject of this AD is addressed in Direction Generale De L'Aviation Civile (France) AD 96–095–076(B), dated April 24, 1996.

Issued in Fort Worth, Texas, on May 29, 1998.

Henry A. Armstrong,

Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 98–15199 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–SW–03–AD; Amendment 39–10574; AD 98–12–20]

RIN 2120–AA64

Airworthiness Directives; Eurocopter France Model SE3130, SA3180, SE313B, SA318B, and SA318C Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to Eurocopter France Model SE3130, SA3180, SE313B, SA318B, and SA318C helicopters, that requires an initial and repetitive visual inspections and modification, if necessary, of the horizontal stabilizer spar tube (spar tube). This amendment is prompted by an in-service report of fatigue cracks that initiated from corrosion pits. The actions specified by this AD are intended to prevent fatigue failure of the spar tube, separation and impact of the horizontal stabilizer with the main or tail rotor, and subsequent loss of control of the helicopter.

DATES: Effective July 14, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of July 14, 1998.

ADDRESSES: The service information referenced in this AD may be obtained from American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, Texas 75053–4005. This information may be examined at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Mr. Richard Monschke, Aerospace Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, 2601 Meacham Blvd., Fort Worth, Texas 76137, telephone (817) 222–5116, fax (817) 222–5961.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to Eurocopter France Model SE3130, SA3180, SE313B, SA318B, and SA318C helicopters was published in the **Federal Register** on April 21, 1998 (63 FR 19668). That action proposed to require an initial and repetitive visual inspections and modification, if necessary, of the horizontal stabilizer spar tube (spar tube).

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the public interest require the adoption of the rule as proposed.

The FAA estimates that 14 helicopters of U.S. registry would be affected by this proposed AD, that it would take approximately 0.5 work hour per helicopter to accomplish the inspection and 3 work hours per helicopter to accomplish the modification, and that the average labor rate is $60 per work hour. Required parts would cost approximately $1100 per helicopter. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be $1310 per helicopter.

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.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it 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 a new airworthiness directive to read as follows:

AD 98–12–20 Eurocopter France: Amendment 39–10574. Docket No. 98–SW–03–AD.

Applicability: SE3130, SA3180, SE313B, SA318B, and SA318C helicopters with horizontal stabilizer, part number (P/N) 3130–35–60–000, 3130–35–60–000–1, 3130–35–60–000–2, 3130–35–60–000–3, 3130–35–60–000–4 or higher dash numbers, installed, certificated in any category.

Note 1: This AD applies to each helicopter 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 helicopters that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (f) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition, or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any helicopter from the applicability of this AD.

Compliance: Required as indicated, unless accomplished previously.

To prevent fatigue failure of the horizontal stabilizer spar tube (spar tube), impact of the horizontal stabilizer with the main or tail rotor and subsequent loss of control of the helicopter, accomplish the following:

(a) Before further flight:

(1) Inspect the aircraft records and the horizontal stabilizer installation to determine whether Modification 072214 (installation of the spar tube without play) or Modification

072215 (adding two half-shells on the spar) has been accomplished.

(2) If Modification 072214 has not been installed, comply with paragraphs 2.A., 2.B.1), 2.B.2)a), and 2.B.2)b) of the Accomplishment Instructions of Eurocopter France Service Bulletin No. 55.10, Revision 2, dated April 25, 1997 (service bulletin). If the fit and dimensions of the components specified in paragraph 2.B.2)a) exceed the tolerances in the applicable structural repair manual, replace with airworthy parts.

(3) If Modification 072215 has not been installed, first comply with paragraphs 2.A., 2.B.1), and 2.B.3), and then comply with paragraph 2.B.2)c) of the Accomplishment Instructions of the service bulletin.

Note 2: Modification kit P/N 315A–07–0221571 contains the necessary materials to accomplish this modification.

(b) Before the first flight of each day:

(1) Visually inspect the installation of the half-shells, the horizontal stabilizer supports, and the horizontal stabilizer for corrosion or cracks. Repair any corroded parts in accordance with the applicable maintenance manual. Replace any cracked components with airworthy parts before further flight.

(2) Confirm that there is no play in the horizontal stabilizer supports by lightly shaking the horizontal stabilizer. If play is detected, comply with paragraphs 2.A. and 2.B.2)a) of the service bulletin. If the fit and dimensions of the components specified in paragraph 2.B.2)a) exceed the tolerances in the applicable structural repair manual, replace with airworthy parts before further flight.

(c) At intervals not to exceed 400 hours time-in-service (TIS) or four calendar months, whichever occurs first, inspect and lubricate the spar tube attachment bolts.

(d) For stabilizers, P/N 3130–35–60–000, 3130–35–60–000–1, 3130–35–60–000–2, or 3130–35–60–000–3, within 90 calendar days and thereafter at intervals not to exceed 18 calendar months, visually inspect the inside of the horizontal spar tube in accordance with paragraph 2.A. and 2.B.1) of the service bulletin.

(1) If corrosion is found inside the tube, other than in the half-shell area, replace the tube with an airworthy tube within the next 500 hours TIS or 24 calendar months, whichever occurs first.

(2) If corrosion is found inside the tube in the half-shell area, apply a protective treatment as described in paragraph 2.B.1)b) of the service bulletin.

(e) For stabilizers, P/N 3130–35–60–000–4 or higher dash numbers, accomplish the following:

(1) At or before the next major inspection, 3200 hours total TIS, or 12 calendar years total TIS, whichever occurs first, and thereafter at each major inspection, visually inspect the inside of the horizontal spar tube in accordance with paragraph 2.A. and 2.B.1) of the service bulletin.

(2) If corrosion is found inside the tube, other than in the half-shell area, replace the tube with an airworthy tube within the next 500 hours TIS or 18 calendar months, whichever occurs first. If corrosion is found inside the tube in the half-shell area, apply a protective treatment as described in paragraph 2.B.1)b) of the service bulletin.

(f) 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, Rotorcraft Standards Staff, FAA, Rotorcraft Directorate. Operators shall submit their requests through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Rotorcraft Standards Staff.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Rotorcraft Standards Staff.

(g) 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 helicopter to a location where the requirements of this AD can be accomplished.

(h) The modification shall be done in accordance with Eurocopter France Service Bulletin No. 55.10, Revision 2, dated April 25, 1997. 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 American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, Texas 75053–4005. Copies may be inspected at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(i) This amendment becomes effective on July 14, 1998.

Note 4: The subject of this AD is addressed in Direction Generale De L'Aviation Civile (France) AD 96–278–054(B)R1, dated May 21, 1997.

Issued in Fort Worth, Texas, on June 2, 1998.

Eric Bries,

Acting Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 98–15198 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98–ASW–24]

Revision of Class E Airspace; Intracoastal City, LA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Direct final rule; request for comments.

SUMMARY: This amendment revises the Class E airspace at Intracoastal City, LA. The development of four global positioning system (GPS) standard instrument approach procedures (SIAP), helicopter point-in-space approaches, to heliports in the Intracoastal City, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for instrument flight rules (IFR) operations to the heliports.

DATES: Effective 0901 UTC, October 8, 1998.

Comments must be received on or before July 24, 1998.

ADDRESSES: Send comments on the rule in triplicate to Manager, Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Docket No. 98–ASW–24, Fort Worth, TX 76193–0520. The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 2601 Meacham Boulevard, Room 663, Fort Worth, TX, between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the Airspace Branch, Traffic Division, Federal Aviation Administration, Southwest Region, Room 414, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: Donald J. Day, Airspace Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, Fort Worth, TX 76193–0520, telephone 817–222–5593.

SUPPLEMENTARY INFORMATION: This amendment to 14 CFR part 71 revises the Class E airspace at Intraocastal City, LA. The development of four GPS SIAP's helicopter point-in-space approaches, to heliports in the Intracaostal City, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for IFR operations to the helicports

Class E airspace designations are published in Paragraph 6005 of FAA Order 7400.9E, dated September 10, 1997, and effective September 16, 1997, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the order.

The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in any adverse or negative comment and therefore is issuing it as a direct final rule. A substantial number of previous opportunities provided to the public to comment on substantially identical actions have resulted in negligible adverse comments or objections. Unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment, is

received within the comment period, the regulation will become effective on the date specified above. After the close of the comment period, the FAA will publish a document in the **Federal Register** indicating that no adverse or negative comments were received and confirming the date on which the final rule will become effective. If the FAA does receive, within the comment period, an adverse or negative comment or written notice of intent to submit such a comment, a document withdrawing the direct final rule will be published in the **Federal Register**, and a notice of proposed rulemaking may be published with a new comment period.

Comments Invited

Although this action is in the form of a final rule and was not preceded by a notice of proposed rulemaking, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended or withdrawn in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of this action and determining whether additional rulemaking action is needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA public contact concerned with the substance of this action will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–ASW–24.'' The postcard will be date stamped and returned to the commenter.

Agency Findings

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 Federal Assessment.

Further, the FAA has determined that this regulation is noncontroversial and unlikely to result in adverse or negative comments and only involves an established body of technical regulations that require frequent and routine amendments to keep them operationally current. Therefore, I certify that this regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Since this rule involves routine matters that will only affect air traffic procedures and air navigation, it does not warrant preparation of a Regulatory Flexibility Analysis because the anticipated impact is so minimal.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854; 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9E, *Airspace Designations and Reporting Points*, dated September 10, 1997, and effective September 16, 1997, is amended as follows:

Paragraph 6005: Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ASW LA E5 Intracostal City, LA [Revised]

Point In Space Coordinates
(Lat. 29°46′57″ N., long. 92°08′42″ W.)

That airspace extending upward from 700 feet above the surface within a 10-mile radius of the Point In Space serving Intracostal City heliports, excluding the airspace within the Lafayette, LA, Class E Airspace.

* * * * *

Issued in Forth Worth, TX, on May 22, 1998.

Albert L. Viselli,

Acting Manager, Air Traffic Division, Southwest Region.

[FR Doc. 98–15313 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98–ASW–25]

Revision of Class E Airspace; Venice, LA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Direct final rule; request for comments.

SUMMARY: This amendment revises the Class E airspace at Venice, LA. The development of two global positioning system (GPS) standard instrument approach procedures (SIAP), helicopter point-in-space approaches, to heliports in the Venice, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface from instrument flight rules (IFR) operations to the heliports.

DATES: Effective 0901 UTC, October 8, 1998.

Comments must be received on or before July 24, 1998.

ADDRESSES: Send comments on the rule in triplicate to Manager, Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Docket No. 98–ASW–25, Fort Worth, TX 76193–0520.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 2601 Meacham Boulevard, Room 663, Fort Worth, TX, between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Room 414, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: Donald J. Day, Airspace Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, Fort

Worth, TX 76193–0520, telephone 817–222–5593.

SUPPLEMENTARY INFORMATION: This amendment to 14 CFR part 71 revises the Class E airspace at Venice, LA. The development of two GPS SIAP's, helicopter point-in-space approaches, to heliports in the Venice, LA, areas has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for IFR operations to the heliports.

Class E airspace designations are published in Paragraph 6005 of FAA Order 7400.9E, dated September 10, 1997, and effective September 16, 1997, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the order.

The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in any adverse or negative comment and therefore is issuing it as a direct final rule. A substantial number of previous opportunities provided to the public to comment on substantially identical actions have resulted in negligible adverse comment or objections. Unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment, is received within the comment period, the regulation will become effective on the date specified above. After the close of the comment period, the FAA will publish a document in the **Federal Register** indicating that no adverse or negative comments received and confirming the date on which the final rule will become effective. If the FAA does receive, within the comment period, an adverse or negative comment or written notice of intent to submit such a comment, a document withdrawing the direct final rule will be published in the **Federal Register**, and a notice of proposed rulemaking may be published with a new comment period.

Comments Invited

Although this action is in the form of a final rule and was not preceded by a notice of proposed rulemaking, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended or withdrawn in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of this action and determining whether additional rulemaking action is needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA public contact concerned with the substance of this action will be filed in the Rules Docket.

Commentes wishing the FAA to acknowledge receipt of their comments submitted on response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–ASW–25.'' The postcard will be date stamped and returned to the commenter.

Agency Findings

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.

Further, the FAA has determined that this regulation is noncontroversial and unlikely to result in adverse or negative comments and only involves an established body of technical regulations that require frequent and routine amendments to keep them operationally current. Therefore, I certify that this regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. Since this rule involves routine matters that will only affect air traffic procedures and air navigation, it does not warrant preparation of a Regulatory Flexibility Analysis because the anticipated impact is so minimal.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854; 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9E, *Airspace Designations and Reporting Points*, dated September 10, 1997, and effective September 16, 1997, is amended as follows:

Paragraph 6005: Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ASW LA E5 Venice, LA [Revised]

Point In Space Coordinates
(lat. 29°15′32″ N., long. 89°21′10″ W.)

That airspace extending upward from 700 feet above the surface within a 8-mile radius of Venice, LA.

* * * * *

Issued in Fort Worth, TX, on May 22, 1998.

Albert L. Viselli,

Acting Manager, Air Traffic Division, Southwest Region.

[FR Doc. 98–15314 Filed 5–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98–ASW–26]

Establishment of Class E Airspace; Grand Chenier, LA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Direct final rule; request for comments.

SUMMARY: This amendment establishes Class E airspace at Grand Chenier, LA. The development of two global positioning system (GPS) standard instrument approach procedures (SIAP),

helicopter point-in-space approaches, to helicopters in the Grand Chenier, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for instrument flight rules (IFR) operations to the heliports.

DATES: Effective 0901 UTC, October 8, 1998.

Comments must be received on or before July 24, 1998.

ADDRESSES: Send comments on the rule in triplicate to Manager, Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Docket No. 98–ASW–26, Fort Worth, TX 76193–0520.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 2601 Meacham Boulevard, Room 663, Fort Worth, TX, between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Room 414, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: Donald J. Day, Airspace Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, Fort Worth, TX 76193–0520, telephone 817–222–5593.

SUPPLEMENTARY INFORMATION: This amendment to 14 CFR part 71 establishes the Class E airspace at Grand Chenier, LA. The development of two GPS SIAP's, helicopter point-in-space approaches, to heliports in the Grand Chenier, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for IFR operations to the heliports.

Class E airspace designations are published in Paragraph 6005 of FAA Order 7400.9E, dated September 10, 1997, and effective September 16, 1997, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the order.

The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in any adverse or negative comment and therefore is issuing it as a direct final rule. A substantial number of previous opportunities provided to the public to comment on substantially identical actions have resulted in negligible adverse comments or objections. Unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment, is received within the comment period, the regulation will become effective on the date specified above. After the close of the comment period, the FAA will publish a document in the **Federal Register** indicating that no adverse or negative comments were received and confirming the date on which the final rule will become effective. If the FAA does receive, within the comment period, an adverse or negative comment or written notice of intent to submit such a comment, a document withdrawing the direct final rule will be published in the **Federal Register**, and a notice of proposed rulemaking may be published with a new comment period.

Comments Invited

Although this action is in the form of a final rule and was not preceded by a notice of proposed rulemaking, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended or withdrawn in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of this action and determining whether additional rulemaking action is needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA public contact concerned with the substance of this action will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–ASW–26.'' The postcard will be date stamped and returned to the commenter.

Agency Findings

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.

Further, the FAA has determined that this regulation is noncontroversial and unlikely to result in adverse or negative comments and only involves an established body of technical regulations that require frequent and routine amendments to keep them operationally current. Therefore, I certify that this regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. Since this rule involves routine matters that will only affect air traffic procedures and air navigation, it does not warrant preparation of a Regulatory Flexibility Analysis because the anticipated impact is so minimal.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration amends 14 CFR part 17 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854; 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9E, *Airspace Designations and Reporting Points*, dated September 10, 1997, and effective September 16, 1997, is amended as follows:

Paragraph 6005: Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ASW LA E5 Grand Chenier, LA [New]

Point In Space Coordinates
(Lat. 29°45′59″ N., long. 93°00′36″ W.)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of Grand Chenier, LA.

* * * * *

Issued in Fort Worth, TX, on May 22, 1998.

Albert L. Viselli,

Acting Manager, Air Traffic Division, Southwest Region.

[FR Doc. 98–15315 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98–ASW–29]

Revision of Class E Airspace; Grand Isle, LA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Direct final rule; request for comments.

SUMMARY: This amendment revises the Class E airspace at Grand Isle, LA. The development of two global positioning system (GPS) standard instrument approach procedures (SIAP), helicopter point-in-space approaches, to heliports in the Grand Isle, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for instrument flight rules (IFR) operations to the heliports.

DATES: Effective 0901 UTC, October 8, 1998.

Comments must be received on or before July 24, 1998.

ADDRESSES: Send comments on the rule in triplicate to Manager, Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Docket No. 98–ASW–29, Fort Worth, TX 76193–0520.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 2601 Meacham Boulevard, Room 663, Fort Worth, TX, between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Room 414, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: Donald J. Day, Airspace Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, Forth Worth, TX 76193–0520, telephone 817–222–5593.

SUPPLEMENTARY INFORMATION: This amendment to 14 part 71 revises the Class E airspace at Grand Isle, LA. The development of two GPS SIAP's, helicopter point-in-space approaches, to heliports in the Grand Isle, LA, area has made this rule necessary. This action is intended to provide adequate controlled airspace extending upward from 700 feet or more above the surface for IFR operations to the heliports.

Class E airspace designations are published in Paragraph 6005 of FAA Oder 7400.9E, dated September 10, 1997, and effective September 16, 1997, which is incorporated by reference in 14 CFR 71.1 The Class E airspace designation listed in this document will be published subsequently in the order.

The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in any adverse or negative comment and therefore is issuing it as a direct final rule. A substantial number of previous opportunities provided to the public to comment on substantially identical actions have resulted in negligible adverse comments or objections. Unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment, is received within the comment period, the regulation will become effective on the date specified above. After the close of the comment period, the FAA will publish a document in the **Federal Register** indicating that no adverse or negative comments were received and confirming the date on which the final rule will become effective. If the FAA does receive, within the comment period, an adverse or negative comment or written notice of intent to submit such a comment, a document withdrawing the direct final rule will be published in the **Federal Register**, and a notice of proposed rulemaking may be published with a new comment period.

Comments Invited

Although this action is in the form of a final rule and was not preceded by a notice of proposed rulemaking, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES.** All communications received on or before the closing date for comments will be considered, and this rule may be amended or withdrawn in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of this action and determining whether additional rulemaking action is needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA public contact concerned with the substance of this action will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: ''Comment to Docket No. 98–ASW–29.'' The postcard will be date stamped and returned to the commenter.

Agency Findings

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.

Further, the FAA has determined that this regulation is noncontroversial and unlikely to result in adverse or negative comments and only involves an established body of technical regulations that require frequent and routine amendments to keep them operationally current. Therefore, I certify that this regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. Since this rule involves routine matters that will only affect air traffic procedures and air navigation, it does not warrant preparation of a Regulatory Flexibility Analysis because the anticipated impact is so minimal.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854; 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9E, *Airspace Designations and Reporting Points*, dated September 10, 1997, and effective September 16, 1997, is amended as follows:

Paragraph 6005: Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ASW LA E5 Grand Isle, LA [Revised]

Grand Isle Seaplane Base, LA
(lat. 29°15′46″N., long. 89°57′40″W.)
Leeville VORTAC
(lat. 29°10′31″N., long. 90°06′15″W.)
Grand Isle NDB
(lat. 29°11′31″N., long. 90°04′30″W.)

That airspace extending upward from 700 feet above the surface within a 7.0-mile radius of Grand Isle Seaplane Base and within 1.5 miles each side of the 052° radial of the Leeville VORTAC extending from the 7-mile radius to the VORTAC and within 1.9 miles each side of the 054° bearing from the Grand Isle NDB extending from the 7-mile radius to the NDB.

* * * * *

Issued in Fort Worth, TX, on May 22, 1998.

Albert L. Viselli,

Acting Manager, Air Traffic Division, Southwest Region.

[FR Doc. 98–15316 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 97–ASO–16]

RIN 2120–AA66

Modification of the Atlantic High Offshore Airspace Area; Correction

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; correction.

SUMMARY: This action corrects a final rule published in the **Federal Register** on April 20, 1998 (Airspace Docket No. 97–ASO–16) which extended the southeast boundary of the Atlantic High Offshore airspace area. In that rule, the offshore airspace area's legal description contained several inadvertent errors in the coordinates. This action corrects those errors.

EFFECTIVE DATE: June 18, 1998.

FOR FURTHER INFORMATION CONTACT: Ellen E. Crum, Airspace and Rules Division, ATA–400, Office of Air Traffic Airspace Management, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; Telephone: (202) 267–8783.

SUPPLEMENTARY INFORMATION:

Federal Register Document 98–10301, Airspace Docket No. 97–AS0–16, published on April 20, 1998 (63 FR 19396), modified the Atlantic High Offshore Airspace Area by extending the southeast boundary of the Atlantic High Offshore Airspace Area to coincide with the San Juan Combined Center-Radar Approach Control (CERAP) oceanic area of control. The legal description contained in the proposal of this airspace, as published in the **Federal Register** on November 18, 1997 (62 FR 61458), correctly described this airspace. However, the legal description in the final rule, as published on April 20, 1998 (63 FR 19396), contained errors in the coordinates. This action corrects those errors in the legal description by deleting the entire description in the final rule and substituting the correct description of the airspace area.

Correction to Final Rule

Accordingly, pursuant to the authority delegated to me, the airspace designation for the Atlantic High Offshore Airspace Area, published in the **Federal Register** on April 20, 1998 (63 FR 19396); **Federal Register** Document 98–10301, and incorporated by reference in 14 CFR 71.1, is corrected as follows:

§ 71.1 [Corrected]

On page 19397, in the first column, near the middle of the page, at the beginning of the legal description for the Atlantic High, remove the entire text and substitute in its place, the following text:

* * * * *

Atlantic High [Revised]

That airspace extending upward from 18,000 feet MSL to and including FL 600 within the area bounded on the east from north to south by the Moncton FIR, New York Oceanic CTA/FIR, and the San Juan Oceanic CTA/FIR; to the point where the San Juan Oceanic CTA/FIR boundary turns southwest at lat. 21°08′00″ N., long. 67°45′00″ W., thence from that point southeast via a straight line to intersect a 100-mile radius of the Fernando Luis Ribas Dominicci Airport at lat. 19°47′28″ N., long. 67°09′37″ W., thence counter-clockwise via a 100-mile radius of the Fernando Luis Ribas Dominicci Airport to lat. 18°53′05″ N., long. 67°47′43″ W., thence from that point northwest via a straight line to intersect the point where the Santo Domingo FIR turns northwest at lat. 19°39′00″ N., long. 69°09′00″ W., thence from that point the area is bounded on the south from east to west by the Santo Domingo FIR, Port-Au-Prince CTA/FIR, and the Havana CTA/FIR; bounded on the west from south to north by the Houston Oceanic CTA/FIR, southern boundary of the Jacksonville Air Route Traffic Control Center and a line 12 miles offshore and parallel to the U.S. shoreline.

* * * * *

Issued in Washington, DC, on June 1, 1998.

Reginald C. Matthews,

Acting Program Director for Air Traffic Airspace Management.

[FR Doc. 98–15144 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF DEFENSE

Department of the Navy

32 CFR Part 706

Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972 Amendment

AGENCY: Department of the Navy, DoD.

ACTION: Final rule.

SUMMARY: The Department of the Navy is amending its certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS), to reflect that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy has determined that USS HARRY S TRUMAN (CVN 75) is a vessel of the Navy which, due to its special construction and purpose, cannot

comply fully with certain provisions of the 72 COLREGS without interfering with its special function as a naval ship. The intended effect of this rule is to warn mariners in waters where 72 COLREGS apply.

EFFECTIVE DATE: May 18, 1998.

FOR FURTHER INFORMATION CONTACT: Captain R.R. Pixa, JAGC, U.S. Navy, Admiralty Counsel, Office of the Judge Advocate General, Navy Department, 200 Stovall Street, Alexandria, VA 22332–2400, Telephone number: (703) 325–9744.

SUPPLEMENTARY INFORMATION: Pursuant to the authority granted in 33 U.S.C. 1605, the Department of the Navy amends 32 CFR Part 706. This amendment provides notice that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy, under authority delegated by the Secretary of the Navy, has certified that USS HARRY S TRUMAN (CVN 75) is a vessel of the Navy which, due to its special construction and purpose, cannot comply fully with the following specific provisions of 72 COLREGS without interfering with its special function as a naval ship: Rule 21(a), pertaining to the placement of the masthead lights over the fore and aft centerline of the ship; Annex I, paragraph 2(g), pertaining to the placement of the sidelights above the hull; and Annex I, paragraph 3(a), pertaining to the placement of the forward masthead light in the forward quarter of the ship. The Deputy Assistant Judge Advocate General (Admiralty) has also certified that the lights involved are located in closest possible compliance with the applicable 72 COLREGS requirements.

Moreover, it has been determined, in accordance with 32 CFR Parts 296 and 701, that publication of this amendment for public comment prior to adoption is impracticable, unnecessary, and contrary to public interest since it is based on technical findings that the placement of lights on this vessel in a manner differently from that prescribed herein will adversely affect the vessel's ability to perform its military functions.

List of Subjects in 32 CFR Part 706

Marine Safety, Navigation (Water), and Vessels.

PART 706—[AMENDED]

Accordingly, 32 CFR Part 706 is amended as follows:

1. The authority citation for 32 CFR Part 706 continues to read:

Authority: 33 U.S.C. 1605.

§ 706.2 [AMENDED]

2. Table Two of § 706.2 is amended by adding, in numerical order, the following entry for USS HARRY S TRUMAN:

TABLE TWO

Vessel	Number	Masthead lights, distance to stbd of keel in meters; rule 21(a)	Forward anchor light, distance below flight dk in meters; § 2(K), annex I	Forward anchor light, number of; rule 30(a)(i)	AFT anchor light, distance below flight dk in meters; rule 21(e), rule 30(a)(ii)	AFT anchor light, number of; rule 30(a)(ii)	Side lights, distance below flight dk in meters; § 2(g), annex I	Side lights, distance forward of forward masthead light in meters; § 3(b), annex I	Side lights, distance inboard of ship's sides in meters; § 3(b), Annex I
USS HARRY S TRUMAN	CVN–75	30.02	.....	1	.....	1	0.56	.....	.....

3. Table Five of § 706.2 is amended by adding, in numerical order, the following entry for USS HARRY S TRUMAN:

TABLE FIVE

Vessel	No.	Masthead lights not over all other lights and obstructions. annex I, sec. 2(f)	Forward masthead light not in forward quarter of ship. annex I, sec. 3(a)	After masthead light less than 1/2 ship's length aft of forward masthead light. annex I, sec. 3(a)	Percentage horizontal separation attained
USS HARRY S TRUMAN	CVN 75	.....	X	.....	.....

Dated: May 18, 1998.

R.R. Pixa,

Captain, JAGC, U.S. Navy, Deputy Assistant Judge Advocate General (Admiralty).

[FR Doc. 98–15206 Filed 6–8–98; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD 08–98–021]

Drawbridge Operating Regulation; Back Bay of Biloxi, MS

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, Eighth Coast Guard District has issued a temporary deviation from the regulation governing the operation of the US 90 bascule drawbridge across the Back Bay of Biloxi, mile 0.4 between Biloxi and Ocean Springs, Harrison and Jackson Counties, Mississippi. This deviation allows the Mississippi Department of Transportation to close the bridge during certain hours for repairs from June 8, until July 1, 1998. The draw may open at other times should a large accumulation of waterway traffic occur

or if an emergency situation occurs. This temporary deviation is issued to allow for the replacement of the shim plates on the center locks and replacing the electric brake system with a new hydraulic system and additional maintenance as required.

DATES: This deviation is effective from 8:30 a.m. on June 8, 1998 through 3 p.m. on July 1, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. David Frank, Bridge Administration Branch, Commander (ob), Eighth Coast Guard District, 501 Magazine Street, New Orleans, LA, 70130–3396, telephone number 504–589–2965.

SUPPLEMENTARY INFORMATION: The US 90 bascule drawbridge across the Back Bay of Biloxi between Biloxi and Ocean Springs, Harrison and Jackson Counties, Mississippi has a vertical clearance of 35.9 feet above mean high water, elevation 1.8 feet Mean Sea Level, in the closed-to-navigation position and unlimited clearance in the open-to-navigation position. Navigation on the waterway consists of tugs with tows, fishing vessels, sailing vessels, and other recreational craft. Presently, as set out in 33 CFR 117.765, the draw opens on signal except that from 6:30 a.m. to 7:05 a.m., 7:20 a.m. to 8:05 a.m., 4 p.m. to 4:45 p.m., and 4:55 p.m. to 5:30 p.m. Monday through Friday except holidays, the draw need not open for the passage of vessels.

The Mississippi Department of Transportation requested a temporary deviation from the normal operation of the bridge in order to accommodate maintenance work. The maintenance work consists of replacing existing center span locks with new shim plates, replacing the electric brake system with a new hydraulic system, restoring the auxiliary drive system, realignment of the bridge, replacing worn oil seals and installation of new power supply conduit and cables. This work is essential for the continued operation of the draw span. The request was reviewed by the Marine Safety Office in Mobile, Alabama, and it does not appear that the requested deviation will have a major impact on local vessel traffic.

This District Commander has, therefore, issued a deviation from the regulations in 33 CFR 117.765 authorizing the bridge to remain closed from 8:30 a.m. until noon and from 12:30 p.m. until 3 p.m., Monday through Friday from June 8, until July 1, 1998. Additionally, the bridge will be closed to navigation daily from 12:01 a.m. to 5 a.m. from June 22, until June 26, 1998.

Dated: May 29, 1998.

A.L. Gerfin, Jr.,

Captain, U.S. Coast Guard, Acting Commander, 8th Coast Guard Dist.

[FR Doc. 98–15282 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–15–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63

[AD–FRL–6106–4]

RIN 2060–A100

National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: This action revises the ''National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries'' which was issued as a final rule August 18, 1995. This rule is commonly known as the Petroleum Refineries national emission standards for hazardous air pollutants (NESHAP). This action revises the date by which an Implementation Plan for emissions averaging is to be submitted. Today's action also exempts specific streams associated with hydrogen plants from the requirements for process vents.

DATES: The direct final rule will be effective on August 18, 1998. The direct final rule will become effective without further notice unless the EPA receives relevant adverse comments on or before July 9, 1998. Should the EPA receive such comments, it will publish a timely document withdrawing this rule.

ADDRESSES: *Comments.* Comments should be submitted (in duplicate, if possible) to: Air and Radiation Docket and Information Center (6102), Attention Docket Number A–93–48 (see docket section below), U.S. Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460. The EPA requests that a separate copy also be sent to the contact person listed below.

FOR FURTHER INFORMATION CONTACT: Mr. James Durham, Waste and Chemical Processes Group, Emission Standards Division (MD–13), U.S. Environmental Protection Agency, Research Triangle Park, North Carolina, 27711, telephone number (919) 541–5672.

SUPPLEMENTARY INFORMATION: On August 18, 1995 EPA promulgated the ''National Emission Standards for Hazardous Air Pollutants from Petroleum Refineries'' (the ''Petroleum Refineries NESHAP''). The NESHAP regulates hazardous air pollutants (HAP) emitted from new and existing refineries that are major sources of HAP emissions. The regulated category and entities affected by this action include:

Category	Examples of regulated entities
Industry	Petroleum Refineries (Standard Industrial Classification Code 2911).

This table is not intended to be exhaustive but, rather, provides a guide for readers regarding entities likely to be interested in the revisions to the regulation affected by this action. To determine whether your facility is regulated by this action, you should carefully examine all of the applicability criteria in 40 CFR 63.640. If you have questions regarding the applicability of this action to a particular entity, consult the appropriate person listed in the preceding **FOR FURTHER INFORMATION CONTACT** section.

A companion proposal to this direct final rule is being published in today's **Federal Register** and is identical to this direct final rule. Any comments on the revisions to the Petroleum Refineries NESHAP should address that proposal. If relevant adverse comments are timely received by the date specified in the proposed rule, the EPA will publish a document informing the public that this rule did not take effect and the comments will be addressed in a subsequent final rule based on the proposed rule. If no relevant adverse comments on any provision of this direct final rule are timely filed then the entire direct final rule will become effective on August 18, 1998, and no further action will be taken on the companion proposal published today.

I. Description of Revisions

A. Revision of Submission Date for Plan to Implement Emissions Averaging

Today's action revises the requirement to submit an Implementation Plan, if using emissions averaging, no later than 18 months prior to the compliance date. The requirement is revised to allow the Implementation Plan to be submitted for approval at any time prior to initiation of emissions averaging. The EPA has determined that the requirement to submit the Implementation Plan 18 months prior to the compliance date is not desirable because it precludes existing sources from using emissions averaging if they decide to do so in the future.

B. Exemption of Specific Hydrogen Plant Vent Streams From Process Vents Requirements

At the time the Petroleum Refineries NESHAP was being developed, little information was available regarding hydrogen plant vent streams. Neither the petroleum refining industry nor the EPA had adequate information to accurately determine if hydrogen plant vents would be subject to the miscellaneous process vent provisions of the NESHAP. Recent information gathering efforts by the petroleum refining industry indicate that there are vent streams from hydrogen plants that meet the definition of Group 1 miscellaneous process vents. However, this information indicates that these vents, because they have no controls, are significantly different from the vents on which the miscellaneous process vent provisions are based. Consequently, it may not be appropriate or even possible to apply the miscellaneous process vent provisions to these hydrogen plant vents.

In hydrogen plants, steam and methane or other hydrocarbons are reacted to form a synthesis gas, which is a mixture of hydrogen and carbon dioxide. Once the hydrogen is formed it must be purified by removing the carbon dioxide. Two techniques are used for carbon dioxide removal: wet carbon dioxide absorption/desorption; and pressure swing absorption (PSA). Methanol is formed as a byproduct of the hydrogen-forming reactions. Absorption/desorption systems absorb some of the methanol along with the CO_2. In some instances, methanol is used as the absorption fluid. Heat or an inert gas such as nitrogen is subsequently used to desorb the absorption fluid. The desorbed gases contain CO_2, water vapor, nitrogen (for some processes), and small quantities of methanol. This is referred to as the CO_2 vent. A source of emissions for both the absorption/desorption and PSA systems can be steam that is condensed and removed at various points in the process. The steam contains condensed methanol and dissolved carbon dioxide. When the steam is deaerated to remove air and carbon dioxide before being recycled, some of the methanol is released to the atmosphere with the carbon dioxide and air. This is referred to as the deaerator vent.

The CO_2 vent and deaerator vent are significantly different from typical miscellaneous process vents considered in determining the requirements of the Petroleum Refineries NESHAP. Typical process vents are continuous streams of consistent composition with sufficient heating value to sustain combustion. Incineration of these streams in boilers, process heaters or flares, which was determined to be the maximum achievable control technology, is not expected to cause operational upsets.

The hydrogen plant vents are of significant volume and have little heating value. They are primarily composed of water vapor and carbon dioxide. Methanol, the combustible element of the streams, has been determined to make up less than one percent of the deaerator vent and to be in the part per million range in the CO_2 vent. It is not likely that existing flares, boilers, or process heaters can accommodate the combustion of these vents due to their large volume and the additional auxiliary fuel that would be required to sustain combustion. None of these hydrogen plant vents are currently known to be controlled. New control devices would have to be built to achieve the destruction efficiency required by the NESHAP. The original analysis of the impact of the miscellaneous process vent provisions indicated that no major capital investments or significant operating costs would be required to comply. This would not be the case for the hydrogen plant vents. Cost analyses indicate that new control devices would require a capital investment ranging from $250,000 to $2,000,000. Capital costs are relatively high due to the large volume of the vents streams. The relative amount of methanol destroyed is low, due to the low concentrations in the vent streams. The resulting cost effectiveness is estimated to range from $5,500 to $55,000 per megagram of methanol destroyed.

Analysis of data currently available indicates that, unlike other process vents, these hydrogen plant CO_2 and deaerator vents are not being controlled. An analysis of the control technology in place at the best performing 12 percent of facilities would result in a determination that the maximum achievable control technology (MACT) floor is ''no control'' for hydrogen plant CO_2 and deaerator vents. Thus, requiring hydrogen plant CO_2 and deaerator vents to comply with the existing process vent requirements would constitute the imposition of an ''above the floor'' requirement. Due to significantly increased compliance costs, EPA does not believe that such an ''above the floor'' requirement is justified. Compliance with the existing process vents requirements cannot be achieved with the same cost effectiveness estimated for typical miscellaneous process vents. Potential controls for the hydrogen plant vents are significantly more costly than those for typical process vents, mainly due to the fact that new control devices would be required. Because the MACT analysis and cost effectiveness analysis for miscellaneous process vents are not applicable to hydrogen plant vents, an exemption from the miscellaneous process vents provision is being provided for hydrogen plant CO_2 and deaerator vents.

II. Judicial Review

Under section 307(b)(1) of the Clean Air Act (Act), judicial review of the actions taken by the administrator in this final rule is available only on the filing of a petition for review in the U.S. Court of Appeals for the District of Columbia Circuit within 60 days of today's publication of this action. Under section 307(b)(2) of the Act, the requirements set forth in today's final rule may not be challenged later in civil or criminal proceedings brought by EPA to enforce these requirements.

III. Administrative

A. Paperwork Reduction Act

The information collection requirements of the previously promulgated NESHAP were submitted to and approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* A copy of this Information Collection Request (ICR) document (OMB Control Number 2060–0340) may be obtained from the Information Policy Branch (PY–223Y); U.S. Environmental Protection Agency; 401 M Street, SW; Washington, DC 20460 or by calling (202) 260–2740. The ICR is currently in the reinstatement process.

Today's changes to the NESHAP have no impact on the information collection burden estimates. The changes regarding emissions averaging consist of a revision to the date by which an Implementation Plan is to be submitted. Because the industry and the EPA were not aware of the hydrogen plant vent streams that may meet the current Group 1 miscellaneous process vent definition, information collection activities associated with these vents were not included in the burden estimate. Today's revisions do not increase or decrease the information collection burden on the regulated community or the EPA. Consequently, the ICR has not been revised.

B. Executive Order 12866 Review

Under Executive Order 12866 (58 FR 51735, October 4, 1993) the EPA must determine whether the regulatory action is ''significant'' and therefore subject to

OMB review and the requirements of the Executive Order. The Order defines a ''significant regulatory action'' as one that is likely to result in a rule that may:

1. Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;
2. Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
3. Materially alter the budgetary impact of entitlements, grants, user fees, or land programs or the rights and obligations of recipients thereof; or
4. Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

Today's action revises a submittal date for a report and provides an exemption for specific vent streams. Because today's action does not add any additional requirements, this rule was classified ''non-significant'' under Executive Order 12866 and, therefore was not reviewed by the Office of Management and Budget.

C. Regulatory Flexibility

The EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with this final rule. The EPA has also determined that this rule will not have a significant negative economic impact on a substantial number of small entities. This direct final rule will not have a significant negative impact on a substantial number of small entities because it does not add any requirements to the Petroleum Refineries NESHAP. This rule revises a submittal date for a report and provides an exemption for specific vent streams.

D. Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with ''Federal mandates'' that may result in expenditures to State, local, and tribal governments, in the aggregate, or to the private sector, of $100 million or more in any one year. Before promulgating an EPA rule for which a written statement is needed, section 205 of the UMRA generally requires EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are inconsistent with applicable law. Moreover, section 205 allows EPA to adopt an alternative other than the least costly, most cost-effective, or least burdensome alternative if the Administrator publishes with the final rule an explanation why that alternative was not adopted. Before EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including tribal governments, it must have developed under section 203 of the UMRA a small government agency plan. The plan must provide for notifying potentially affected small governments, enabling officials of affected small governments to have meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising small governments on compliance with the regulatory requirements.

At the time of promulgation, EPA determined that the Petroleum Refineries NESHAP does not include a Federal mandate that may result in estimated costs of $100 million or more to either State, local, or tribal governments in the aggregate or to the private sector. This determination is not altered by today's action, the purpose of which is to revise the submittal date for a report and provide an exemption for specific vent streams. Thus, today's rule is not subject to the requirements of sections 202 and 205 of the UMRA.

E. Executive Order 12875

To reduce the burden of Federal regulations on States and small governments, the President issued Executive Order 12875 entitled ''Enhancing the Intergovernmental Partnership'' on October 26, 1993. Executive Order 12875 prohibits the EPA, to the extent feasible and permitted by law, from promulgating any regulation that is not required by statute and that creates a mandate upon a State, local or tribal government unless: (i) the Federal Government provides the funds necessary to pay the direct costs incurred by the State, local or tribal government in complying with the mandate; or, (ii) EPA provides to the Office of Management and Budget a description of the extent of the EPA's prior consultation with representatives of affected State, local and tribal governments, the nature of those entities concerns, any written communications submitted to EPA by such units of government and the EPA's position supporting the need to issue the regulation. Executive Order 12875 further requires the EPA to develop an effective process to permit elected officials and other representatives of State, local and tribal governments ''to provide meaningful and timely input in the development of regulatory proposals containing significant unfunded mandates.'' This rule does not create a mandate upon State, local or tribal governments.

F. Applicability of Executive Order 13045

Executive Order 13045 applies to any rule that EPA determines (1) ''economically significant'' as defined under Executive Order 12866, and (2) the environmental health or safety risk addressed by the rule has a disproportionate effect on children. If the regulatory action meets both criteria, the EPA must evaluate the environmental health or safety effects of the planned rule on children and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the EPA.

This direct final rule is not subject to E.O. 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because it is not an economically significant regulatory action as defined by Executive Order 12866, and it does not address an environmental health or safety risk that would have a disproportionate effect on children.

G. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. The EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This rule is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 63

Environmental protection, Air pollution control, Hazardous air pollutants, Petroleum refineries,

Reporting and recordkeeping requirements, Storage vessels.

Dated: May 28, 1998.

Carol M. Browner,

Administrator.

For reasons set out in the preamble, part 63 of title 40, chapter I, of the Code of Federal Regulations is amended as follows:

PART 63—[AMENDED]

1. The authority citation for part 63 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart CC—National Emission Standards for Hazardous Air Pollutants From Petroleum Refineries

2. Amend § 63.641 by revising paragraphs (11), (12), and (13) of and adding paragraph (14) to the definition of *miscellaneous process vent* to read as follows:

§ 63.641 Definitions.

* * * * *

Miscellaneous process vent * * *

(11) Coking unit vents associated with coke drum depressuring at or below a coke drum outlet pressure of 15 pounds per square inch gauge, deheading, draining, or decoking (coke cutting) or pressure testing after decoking;

(12) Vents from storage vessels;

(13) Emissions from wastewater collection and conveyance systems including, but not limited to, wastewater drains, sewer vents, and sump drains; and

(14) Hydrogen production plant vents through which carbon dioxide is removed from process streams or through which steam condensate produced or treated within the hydrogen plant is degassed or deaerated.

* * * * *

3. Amend § 63.653 by revising paragraph (d)(1) to read as follows:

§ 63.653 Monitoring, recordkeeping, and implementation plan for emission averaging.

* * * * *

(d) * * *

(1) The Implementation Plan shall be submitted to the Administrator and approved prior to implementing emissions averaging. This information may be submitted in an operating permit application, in an amendment to an operating permit application, in a separate submittal, in a Notification of Compliance Status Report, in a Periodic Report or in any combination of these documents. If an owner or operator submits the information specified in paragraph (d)(2) of this section at different times, and/or in different submittals, later submittals may refer to earlier submittals instead of duplicating the previously submitted information.

* * * * *

[FR Doc. 98–15005 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–P

Proposed Rules

Federal Register
Vol. 63, No. 110
Tuesday, June 9, 1998

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

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 56 and 70

[Docket No. PY–98–002]

RIN 0581–AB54

Egg, Poultry, and Rabbit Grading Increase in Fees and Charges

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: The Agricultural Marketing Service (AMS) proposes to increase the fees and charges for Federal voluntary egg, poultry, and rabbit grading. These fees and charges need to be increased to cover the increase in salaries of Federal employees, salary increases of State employees cooperatively utilized in administering the programs, and other increased Agency costs.

DATES: Comments must be received on or before August 10, 1998.

ADDRESSES: Send written comments, in duplicate, to Douglas C. Bailey, Chief, Standardization Branch, Poultry Programs, Agricultural Marketing Service, U.S. Department of Agriculture, STOP 0259, room 3944-South, 1400 Independence Avenue, SW, Washington, DC 20250–0259. Comments received may be inspected at this location between 8:00 a.m. and 4:30 p.m., Eastern Time, Monday thru Friday, except holidays. State that your comments refer to Docket No. PY–98–002.

FOR FURTHER INFORMATION CONTACT: Rex A. Barnes, Chief, Grading Branch, (202) 720–3271.

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

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. This action is not intended to have retroactive effect. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule. There are no administrative procedures which must be exhausted prior to any judicial challenge to the provisions of this rule.

Pursuant to the requirements set forth in the Regulatory Flexibility Act (RFA), the AMS has considered the economic impact of this action on small entities.

There are about 400 users of Poultry Programs' grading services. Many of these users are small entities under the criteria established by the Small Business Administration (13 CFR 121.601). This proposed rule will raise the fees charged to businesses for voluntary grading services for eggs, poultry, and rabbits. The AMS estimates that overall this rule would yield an additional $1.5 million during FY 1999. The hourly resident rate for grading services will increase by approximately 4.1 percent while the hourly nonresident rate for grading service will increase by approximately 15 percent. The costs to entities will be proportional to their use of service, so that costs are shared equitably by all users. Furthermore, entities are under no obligation to use grading services as authorized under the Agricultural Marketing Act of 1946.

The AMS regularly reviews its user fee financed programs to determine if the fees are adequate. The existing fee schedule will not generate sufficient revenues to cover program costs while maintaining an adequate reserve balance (four months of costs) as called for by Agency policy (AMS Directive 408.1). The Agency has engaged in streamlining efforts to reduce costs including staff and space reductions or closing of field offices. However, overall, costs are increasing despite these efforts.

Without a fee increase, revenue projections for FY 1999 would be $19.8 million, with costs projected at $22.3 million. The shortfall, if allowed to continue, would translate into an approximate 3.8 month operating reserve at the end of FY 1999 or $7.1 million, which is less than Agency policy requires. With the fee increase, FY 1999 revenue is projected to be $21.3 million and costs are projected at $22.3 million. Trust fund balances would be $8.5 million or 4.3 months.

The AMS has certified that this action will not have a significant impact on a substantial number of small entities, as defined in the RFA (5 U.S.C. 601).

The information collection requirements that appear in the sections to be amended by the proposed rule have been previously approved by OMB and assigned OMB Control Numbers under the Paperwork Reduction Act (44 U.S.C. Chapter 35) as follows: § 56.52(a)(4)—No. 0581–0128; and § 70.77(a)(4)—No. 0581–0127.

Background and Proposed Changes

The Agricultural Marketing Act (AMA) of 1946 authorizes official grading and certification on a user-fee basis of eggs, poultry, and rabbits. The AMA provides that reasonable fees be collected from users of the program services to cover, as nearly as practicable, the costs of services rendered. AMS regularly reviews these programs to determine if fees are adequate and if costs are reasonable. This proposal would amend the schedule for fees and charges for grading services rendered to the egg, poultry, and rabbit industries to reflect the costs currently associated with the program.

Several streamlining actions to be completed in FY 1998 will result in cost savings. They include staff and space reductions or closing of field offices. However, overall, costs are increasing despite these efforts.

Employee salaries and benefits account for approximately 82 percent of the total operating budget. A general and locality salary increase for Federal employees, ranging from 2.57 to 6.52 percent, depending on locality, became effective in January 1998 and has materially affected program costs. Another general and locality salary increase estimated at 3.0 percent is expected in January 1999. Also, from October 1997 through September 1999, salaries and fringe benefits of federally licensed State employees will have increased by about 6 percent. As a result, the hourly resident rate for grading services will increase by approximately 4.1 percent. The hourly resident rate covers graders' salaries, fringe benefits, and related costs.

Another factor affecting the current fee structure is the increased demand for grading services on a fee basis. Resident grading service is provided by a grader with a regular tour of duty in

a plant, while fee grading service is provided by a grader on an intermittent, as-needed basis. Historically, the majority of shell egg and poultry grading has been done on a resident basis according to the official U.S. quality grade standards. In recent years, however, there has been an increase in the volume of shell eggs and poultry being traded according to product-specific purchase requirements where USDA certification is required, and this work is done predominantly on a fee basis. Fee services for many plants require more supervisory time and travel to staff, train, and supervise graders. As a result, a greater proportion of overhead costs for supervision and support staff must be charged to fee services. Rates to cover these costs were only minimally raised in years prior to the last fee increase effective May 1, 1997. Current analysis shows that these rates need to be increased an additional 15 percent to totally support their fair share of the program's overhead costs.

Additionally, rates for appeal grading and review of a grader's decision are only occasionally used, currently accounting for less than $5,000 revenue annually. A separate rate for this service would be discontinued and these services would be charged using fee service rates for the time required to perform such service. This amendment would simplify the rate structure and any change in revenue would be negligible.

A recent review of the current fee schedule, effective May 1, 1997, revealed that anticipated revenue will not adequately cover increasing program costs. Without a fee increase, projected FY 1999 revenues for grading services are $19.8 million, with costs projected at $22.3 million, and trust fund balances would be $7.1 million, below appropriate levels. With a fee increase, projected FY 1999 revenues would be $21.3 million and costs are projected at $22.3 million. Trust fund balances would be $8.5 million or 4.3 months of operating costs.

The following table compares current fees and charges with proposed fees and charges for egg, poultry, and rabbit grading as found in 7 CFR Parts 56 and 70:

Service	Current	Proposed
Resident service:		
Inauguration of service	310	310
Hourly charges—Regular hours	26.56	27.64
Administrative charges—Poultry grading:		
Per pound of poultry	.00033	.00034
Minimum per month	225	225
Maximum per month	2,250	2,500
Administrative charges—Shell egg grading:		
Per 30-dozen case of shell eggs	.038	.040
Minimum per month	225	225
Maximum per month	2,250	2,500
Administrative charges—Rabbit grading:		
Based on 25% of grader's salary, minimum per month	225	250
Nonresident Service: [1]		
Hourly charges:		
Regular hours	26.56	27.64
Administrative charges:		
Based on 25% of grader's salary, minimum per month	225	250
Fee and appeal service:		
Hourly charges:		
Regular hours	38.96	44.80
Weekend and holiday hours	43.24	51.60

[1] For poultry and shell egg grading.

List of Subjects

7 CFR Part 56

Eggs and egg products, Food grades and standards, Food labeling, Reporting and recordkeeping requirements.

7 CFR Part 70

Food grades and standards, Food labeling, Poultry and poultry products, Rabbits and rabbit products, Reporting and recordkeeping requirements.

For reasons set forth in the preamble, it is proposed that Title 7, Code of Federal Regulations, parts 56 and 70 be amended as follows:

PART 56—GRADING OF SHELL EGGS

1. The authority citation for part 56 continues to read as follows:

Authority: 7 U.S.C. 1621–1627.

2. Section 56.46 is revised to read as follows:

§ 56.46 On a fee basis.

(a) Unless otherwise provided in this part, the fees to be charged and collected for any service performed, in accordance with this part, on a fee basis shall be based on the applicable rates specified in this section.

(b) Fees for grading services will be based on the time required to perform the services. The hourly charge shall be $44.80 and shall include the time actually required to perform the grading, waiting time, travel time, and any clerical costs involved in issuing a certificate.

(c) Grading services rendered on Saturdays, Sundays, or legal holidays shall be charged for at the rate of $51.60 per hour. Information on legal holidays is available from the Supervisor.

3. Section 56.47 is revised to read as follows:

§ 56.47 Fees for appeal grading or review of a grader's decision.

The cost of an appeal grading or review of a grader's decision shall be borne by the appellant on a fee basis at rates set forth in § 56.46, plus any travel and additional expenses. If the appeal grading or review of a grader's decision discloses that a material error was made in the original determination, no fee or expenses will be charged.

4. In § 56.52, paragraph (a)(4) is revised to read as follows:

§ 56.52 Continuous grading performed on a resident basis.

* * * * *

(a) * * *

(4) An administrative service charge based upon the aggregate number of 30-

dozen cases of all shell eggs handled in the plant per billing period multiplied by $0.040, except that the minimum charge per billing period shall be $225 and the maximum charge shall be $2,500. The minimum charge also applies where an approved application is in effect and no product is handled.

* * * * *

5. In § 56.54, paragraph (a)(2) is revised to read as follows:

§ 56.54 Charges for continuous grading performed on a nonresident basis.

* * * * *

(a) * * *

(2) An administrative service charge equal to 25 percent of the grader's total salary costs. A minimum charge of $250 will be made each billing period. The minimum charge also applies where an approved application is in effect and no product is handled.

* * * * *

PART 70—VOLUNTARY GRADING OF POULTRY PRODUCTS AND RABBIT PRODUCTS

6. The authority citation for part 70 continues to read as follows:

Authority: 7 U.S.C. 1621–1627.

7. Section 70.71 is revised to read as follows:

§ 70.71 On a fee basis.

(a) Unless otherwise provided in this part, the fees to be charged and collected for any service performed, in accordance with this part, on a fee basis shall be based on the applicable rates specified in this section.

(b) Fees for grading services will be based on the time required to perform such services for class, quality, quantity (weight test), or condition, whether ready-to-cook poultry, ready-to-cook rabbits, or specified poultry food products are involved. The hourly charge shall be $44.80 and shall include the time actually required to perform the work, waiting time, travel time, and any clerical costs involved in issuing a certificate.

(c) Grading services rendered on Saturdays, Sundays, or legal holidays shall be charged for at the rate of $51.60 per hour. Information on legal holidays is available from the Supervisor.

8. Section 70.72 is revised to read as follows:

§ 70.72 Fees for appeal grading, laboratory analysis, or examination or review of a grader's decision.

The costs of an appeal grading, laboratory analysis, or examination or review of a grader's decision, will be borne by the appellant on a fee basis at rates set forth in § 70.71, plus any travel and additional expenses. If the appeal grading, laboratory analysis, or examination or review of a grader's decision discloses that a material error was made in the original determination, no fee or expenses will be charged.

9. In § 70.76, paragraph (a)(2) is revised to read as follows:

§ 70.76 Charges for continuous poultry grading performed on a nonresident basis.

* * * * *

(a) * * *

(2) An administrative service charge equal to 25 percent of the grader's total salary costs. A minimum charge of $250 will be made each billing period. The minimum charge also applies where an approved application is in effect and no product is handled.

* * * * *

10. In § 70.77, paragraphs (a)(4) and (a)(5) are revised to read as follows:

§ 70.77 Charges for continuous poultry or rabbit grading performed on a resident basis.

* * * * *

(a) * * *

(4) For poultry grading: An administrative service charge based upon the aggregate weight of the total volume of all live and ready-to-cook poultry handled in the plant per billing period computed in accordance with the following: Total pounds per billing period multiplied by $0.00034, except that the minimum charge per billing period shall be $225 and the maximum charge shall be $2,500. The minimum charge also applies where an approved application is in effect and no product is handled.

(5) For rabbit grading: An administrative service charge equal to 25 percent of the grader's total salary costs. A minimum charge of $250 will be made each billing period. The minimum charge also applies where an approved application is in effect and no product is handled.

* * * * *

Dated: June 3, 1998.

Enrique E. Figueroa,

Administrator, Agricultural Marketing Service.

[FR Doc. 98–15205 Filed 6–8–98; 8:45 am]

BILLING CODE 3410–02–P

NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

RIN 3150–AF80

Miscellaneous Changes to Licensing Requirements for the Independent Storage of Spent Nuclear Fuel and High-Level Radioactive Waste

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The Nuclear Regulatory Commission is proposing to amend its regulations to correct several inconsistencies and to clarify certain sections of the regulations. The amendments would differentiate the requirements for the storage of spent fuel under wet and dry conditions, clarify requirements for the content and submission of various reports, and specify that quality assurance (QA) records must be maintained as permanent records.

DATES: The comment period expires August 24, 1998. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date.

ADDRESSES: Comments may be sent to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001. Attention: Rulemakings and Adjudications Staff.

Deliver comments to: 11555 Rockville Pike, Rockville, Maryland, between 7:30 am and 4:15 pm on Federal workdays.

You may also provide comments via the NRC's interactive rulemaking web site through the NRC home page (http://www.nrc.gov). This site provides the availability to upload comments as files (any format) if your web browser supports that function. For information about the interactive rulemaking site, contact Ms. Carol Gallagher, (301) 415–6215; e-mail CAG@nrc.gov.

Certain documents related to this rulemaking, including comments received may be examined at the NRC Public Document Room, 2120 L Street NW., (Lower Level), Washington, DC. These same documents also may be viewed and downloaded electronically via the interactive rulemaking website established by NRC for this rulemaking.

FOR FURTHER INFORMATION CONTACT: M. L. Au, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone (301) 415–6181, e-mail mla@nrc.gov.

SUPPLEMENTARY INFORMATION:

Background

The Commission's licensing requirements for the independent storage of spent nuclear fuel and high-level radioactive waste are codified in 10 CFR Part 72. The NRC experience in applying Part 72 has indicated that certain additions and clarifications to the regulations are necessary. This proposed rule would make eight miscellaneous changes to 10 CFR Part 72. These changes would ensure that necessary information is included in reports and that Quality Assurance records are maintained permanently when identified with activities and items important to safety. These reports and records are needed to facilitate NRC inspection to verify compliance with regulatory reporting requirements to ensure the protection of public health and safety, and the environment.

Discussion of Proposed Amendments

1. Modify §§ 72.1 and 72.2 to include spent fuel storage cask and remove the superseded information.

The purpose (§ 72.1) and scope (§ 72.2) were not modified when the Commission amended Part 72 on July 18, 1990 (55 FR 29181) to include a process for providing a general license to a reactor licensee to store spent fuel in an independent spent fuel storage installation (ISFSI) at power reactor sites (Subpart K) and a process for the approval of spent fuel storage casks (Subpart L). Although the language in these sections may be read to include the general license provisions of Subpart K, the approval process for spent fuel storage casks in Subpart L is not referenced. This rulemaking would make the purpose and scope sections complete by specifically referencing the Subpart L cask approval process. This rulemaking also would remove information in the purpose and scope sections regarding the Federal interim storage program since the time for its implementation has expired (61 FR 35935; July 9, 1996).

2. Change the requirement for making initial and written reports in §§ 72.4 and 72.216.

This change would be made to § 72.4 to provide that, except where otherwise specified, all communications and reports are to be addressed to NRC's Document Control Desk (DCD) rather than to the Director, Office of Nuclear Material Safety and Safeguards (NMSS). Three current regulations govern the submission of written reports under Part 72 (§§ 72.75, 72.216(b), and 50.72(b)(2)(vii)(B) that is referenced in § 72.216(a)). Under § 72.75(d)(2) a report is sent to the DCD. However §§ 50.72(b)(2)(vii)(B) and 72.216(b) indicate that the report be sent as instructed in § 72.4, to the Director, NMSS. To achieve consistency, § 72.4 is being revised to instruct that reports be sent to the DCD. Licensing correspondence forwarded to the NRC's DCD would ensure proper docketing and distribution. Also, § 72.216(c) is being changed to correct an error. The current regulation references §§ 72.75(a)(2) and (3); the reference should be revised to §§ 72.75(b)(2) and (3).

3. Change the requirement for submittal of dry cask storage effluent report in § 72.44.

Currently, § 72.44(d)(3) requires that a dry cask storage effluent report be submitted to the appropriate NRC regional office within the first 60 days of each year. Section 50.36a(a)(2) requires that a similar report be submitted to the Commission once each year specifying liquid and gaseous effluents from reactor operations.

The proposed revision would permit reactor licensees to submit their dry cask storage effluent report to the NRC once each year at the same time as the effluent report from reactor operations. The time between submission of these reports would be no longer than 12 months. However, after the effective date of the final rule, the licensee may submit the first report for a shorter period of time to get on the same reporting schedule as the annual reactor effluent report.

4. Clarify the reporting requirements for specific events and conditions in § 72.75.

Section 72.75 contains reporting requirements for specific events and conditions, including the requirement in § 72.75(d)(2) for a follow-up written report for certain types of emergency and non-emergency notifications. The proposed rule would clarify the specific information required to meet the intent of the existing reporting requirement. A comparable reporting requirement already exists for similar reactor type events in § 50.73(b). The proposed rule would incorporate the format and content outlined in § 50.73(b) into § 72.75(d)(2) to clearly inform licensees of the information necessary for the NRC staff's review. Since the reporting requirement already exists, no significant increase in the licensee's reporting burden will occur by clarifying the format and content.

5. Clarify the requirement for capability for continuous monitoring of confinement storage systems in § 72.122(h)(4).

Currently, § 72.122(h)(4) requires the capability for continuous monitoring of storage confinement systems. The meaning of ''continuous'' is open to interpretation and does not differentiate between monitoring requirements for wet and dry storage of spent fuel. Wet storage requires active heat removal systems that involve a monitoring that is ''continuous'' in the sense of uninterrupted. Because of the passive nature of dry storage, active heat removal systems are not needed and monitoring can be less frequent. This proposed rule would clarify that the frequency of monitoring can be different for wet and dry storage systems. As part of the NRC approval process, the periodicity of monitoring is specified in the Certificate of Compliance.

6. Clarify the requirement specifying instrument and control systems for monitoring dry spent fuel storage in § 72.122(i).

Section 72.122(i) requires that instrumentation and control systems be provided to monitor systems important to safety but does not distinguish between wet and dry storage systems. For wet storage, systems are required to monitor and control heat removal. For dry storage, passive heat removal is used and a control system is not required. This proposed change would clarify that control systems are not needed for dry storage systems.

7. Clarify the requirement for dry spent fuel storage cask on methods of criticality control in § 72.124(b).

Section 72.124(b) requires specific methods for criticality control, including the requirement that where solid neutron absorbing materials are used, the design must provide for positive means to verify their continued efficacy. This requirement is appropriate for wet spent fuel storage systems but not for dry spent fuel storage systems. The potentially corrosive environment under wet storage conditions is not present in dry storage systems because an inert environment is maintained. Under these conditions, there is no mechanism to significantly degrade the neutron absorbing materials. In addition, the dry spent fuel storage casks are sealed and it is not practical to penetrate the integrity of the cask to make the measurements for verifying the efficacy of neutron absorbing materials. This proposed rule would clarify that positive means for verifying the continued efficacy of solid neutron absorbing materials are not required for dry storage systems, where the efficacy is demonstrated at the outset.

8. Clarify the requirements in § 72.140(d) concerning the previously

approved quality assurance program in conformance with Appendix B of 10 CFR Part 50.

Section 72.174 specifies that quality assurance (QA) records must be maintained by or under the control of the licensee until the Commission terminates the license. However, § 72.140(d) allows a holder of a Part 50 license to use its approved Part 50, Appendix B, QA program in place of the Part 72 QA requirements, including the requirement for QA records. Appendix B allows the licensee to determine what records will be considered permanent records, using Regulatory Guide 1.28. Thus, Part 50 licensees using an Appendix B, QA program could choose not to make permanent all records generated in support of Part 72 activities. This proposed rule would require these licensees to follow the Part 72 requirement to maintain QA records until termination of the license.

Environmental Impact: Categorical Exclusion

The NRC has determined that Items 1, 5, 6, and 7 of the proposed rule are the types of action described as a categorical exclusion in 10 CFR 51.22(c)(2) and Items 2, 3, 4 and 8 of the proposed rule are the types of action described as a categorical exclusion in 10 CFR 51.22(c)(3). Therefore, neither an environmental impact statement nor an environmental assessment has been prepared for this proposed regulation.

Paperwork Reduction Act Statement

Proposed Rule Containing Insignificant Information Collections

This proposed rule increases the burden on licensees by increasing the record retention period to life of license in 72.140(d). The public burden for this information collection is estimated to average 38 hours per request. Because the burden for this information collection is insignificant, Office of Management and Budget (OMB) clearance is not required. Existing requirements were approved by the Office of Management and Budget, approval number 3150–0132.

Public Protection Notification

If an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

Send comments on any aspect of this proposed information collection, including suggestions for reducing the burden, to the Records Management Branch (T–6 F33), U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, or by Internet electronic mail at BJS1@NRC.GOV; and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB–10202, (3150–0132), Office of Management and Budget, Washington, DC 20503.

Comments to OMB on the information collections or on the above issues should be submitted by July 9, 1998. Comments received after this will be considered if it is practical to do so, but assurance of consideration cannot be given to comments received after this date.

Regulatory Analysis

The NRC has prepared a regulatory analysis on this regulation. The analysis examines the costs and benefits of the alternatives considered by the NRC and concludes that the proposed rule results in an incremental improvement in public health and safety that outweighs the small incremental cost associated with this proposed change. The analysis is available for inspection in the NRC Public Document Room, 2120 L Street, NW (Lower Level), Washington. Single copies of the analysis may be obtained from M. L. Au, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone (301) 415–6181.

Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act of 1980 as amended 5 U.S.C. 605(b) the Commission certifies that this proposed rule will not, if adopted, have a significant economic impact on a substantial number of small entities. This proposed rule would affect only the operators of independent spent fuel storage installation (ISFSI). These companies do not fall within the scope of the definition of ''small entities'' set forth in the Regulatory Flexibility Act or the Small Business Size Standards set out in regulations issued by the Small Business Administration at 13 CFR Part 121.

Backfit Analysis

The NRC has determined that the backfit rule, 10 CFR 72.62, does not apply to this rule, because these amendments do not involve any provisions that would impose backfits as defined in 10 CFR 72.62(a). Therefore, a backfit analysis is not required for this proposed rule.

List of Subjects in 10 CFR Part 72

Manpower training programs, Nuclear materials, Occupational safety and health, Reporting and recordkeeping requirements, Security measures, Spent fuel.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended, and 5 U.S.C. 553, the NRC is proposing to adopt the following amendments to 10 CFR Part 72.

PART 72—LICENSING REQUIREMENTS FOR THE INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE

1. The authority citation for part 72 continues to read as follows:

Authority: Secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 68 Stat. 929, 930, 932, 933, 934, 935, 948, 953, 954, 955, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2232, 2233, 2234, 2236, 2237, 2238, 2282); sec. 274, Pub. L. 86–373, 73 Stat. 688, as amended (42 U.S.C. 2021); sec. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846); Pub. L. 95–601, sec. 10, 92 Stat. 2951 as amended by Pub. L. 102–486, sec. 7902, 106 Stat. 3123 (42 U.S.C. 5851); sec. 102, Pub. L. 91–190, 83 Stat. 853 (42 U.S.C. 4332); secs. 131, 132, 133, 135, 137, 141, Pub. L. 97–425, 96 Stat. 2229, 2230, 2232, 2241, sec. 148, Pub. L. 100–203, 101 Stat. 1330–235 (42 U.S.C. 10151, 10152, 10153, 10155, 10157, 10161, 10168).

Section 72.44(g) also issued under secs. 142(b) and 148(c), (d), Pub. L. 100–203, 101 Stat. 1330–232, 1330–236 (42 U.S.C. 10162(b), 10168(c), (d)). Section 72.46 also issued under sec. 189, 68 Stat. 955 (42 U.S.C. 2239); sec. 134, Pub. L. 97–425, 96 Stat. 2230 (42 U.S.C. 10154). Section 72.96(d) also issued under sec. 145(g), Pub. L. 100–203, 101 Stat. 1330–235 (42 U.S.C. 10165(g)). Subpart J also issued under secs. 2(2), 2(15), 2(19), 117(a), 141(h), Pub. L. 97–425, 96 Stat. 2202, 2203, 2204, 2222, 2224 (42 U.S.C. 10101, 10137(a), 10161(h)). Subparts K and L are also issued under sec. 133, 98 Stat. 2230 (42 U.S.C. 10153) and sec. 218(a), 96 Stat. 2252 (42 U.S.C. 10198).

2. Section 72.1 is revised to read as follows:

§ 72.1 Purpose.

The regulations in this part establish requirements, procedures, and criteria for the issuance of licenses to receive, transfer, and possess power reactor spent fuel and other radioactive materials associated with spent fuel storage in an independent spent fuel storage installation (ISFSI) and the terms and conditions under which the Commission will issue these licenses. The regulations in this part also establish requirements, procedures, and criteria for the issuance of licenses to the Department of Energy (DOE) to receive, transfer, package, and possess

power reactor spent fuel, high-level radioactive waste, and other radioactive materials associated with the spent fuel and high-level radioactive waste storage, in a monitored retrievable storage installation (MRS). Furthermore, the regulations in this part also establish requirements, procedures, and criteria for the issuance of Certificates of Compliance approving spent fuel storage casks.

3. In § 72.2, paragraph (e) is removed, paragraph (f) is redesignated as paragraph (e), and a new paragraph (f) is added to read as follows:

§ 72.2 Scope.

* * * * *

(f) Certificates of Compliance approving the use of spent fuel storage casks shall be issued in accordance with the requirements of this part as stated in § 72.236.

4. Section 72.4 is revised to read as follows:

§ 72.4 Communications.

Except where otherwise specified, all communications and reports concerning the regulations in this part and applications filed under them should be addressed to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555–0001.

5. In § 72.44, paragraph (d)(3) is revised to read as follows:

§ 72.44 License conditions.

* * * * *

(d) * * *

(3) An annual report be submitted to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555–0001, specifying the quantity of each of the principal radionuclides released to the environment in liquid and in gaseous effluents during the previous 12 months of operation and such other information as may be required by the Commission to estimate maximum potential radiation dose commitment to the public resulting from effluent releases. On the basis of this report and any additional information that the Commission may obtain from the licensee or others, the Commission may from time to time require the licensee to take such action as the Commission deems appropriate. The time between submission of reports must be no longer than 12 months.

* * * * *

6. In § 72.75, paragraph (d)(2) is revised, and paragraphs (d)(3), (d)(4), (d)(5), (d)(6) and (d)(7) are added to read as follows:

§ 72.75 Reporting requirements for specific events and conditions.

* * * * *

(d) * * *

(2) *Written report.* Each licensee who makes an initial report required by paragraph (a) or (b) of this section shall submit a written follow-up report within 30 days of the initial report. Written reports prepared pursuant to other regulations may be submitted to fulfill this requirement if the reports contain all the necessary information and the appropriate distribution is made. These written reports must be sent to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555–0001. These reports must include the following:

(i) A brief abstract describing the major occurrences during the event, including all component or system failures that contributed to the event and significant corrective action taken or planned to prevent recurrence;

(ii) A clear, specific, narrative description of what occurred so that knowledgeable readers conversant with the design of ISFSI or MRS, but not familiar with the details of a particular facility, can understand the complete event; and the narrative description must include the following specific information as appropriate for the particular event:

(A) ISFSI or MRS operating conditions before the event;

(B) Status of structures, components, or systems that were inoperable at the start of the event and that contributed to the event;

(C) Dates and approximate times of occurrences;

(D) The cause of each component or system failure or personnel error, if known;

(E) The failure mode, mechanism, and effect of each failed component, if known;

(F) A list of systems or secondary functions that were also affected for failures of components with multiple functions;

(G) For wet spent fuel systems storage only, after failure that rendered a train of a safety system inoperable, an estimate of the elapsed time from the discovery of the failure until the train was returned to service;

(H) The method of discovery of each component or system failure or procedural error;

(I)(*1*) Operator actions that affected the course of the event, including operator errors, procedural deficiencies, or both, that contributed to the event;

(*2*) For each personnel error, the licensee shall discuss:

(*i*) Whether the error was a cognitive error (e.g., failure to recognize the actual facility condition, failure to realize which systems should be functioning, failure to recognize the true nature of the event) or a procedural error;

(*ii*) Whether the error was contrary to an approved procedure, was a direct result of an error in an approved procedure, or was associated with an activity or task that was not covered by an approved procedure;

(*iii*) Any unusual characteristics of the work location (e.g., heat, noise) that directly contributed to the error; and

(*iv*) The type of personnel involved (e.g., contractor personnel, utility-licensed operator, utility nonlicensed operator, other utility personnel);

(J) Automatically and manually initiated safety system responses (wet spent fuel storage systems only);

(K) The manufacturer and model number (or other identification) of each component that failed during the event;

(L) The quantities and chemical and physical forms of the spent fuel or HLW involved;

(3) An assessment of the safety consequences and implications of the event. This assessment must include the availability of other systems or components that could have performed the same function as the components and systems that failed during the event;

(4) A description of any corrective actions planned as a result of the event, including those to reduce the probability of similar events occurring in the future;

(5) Reference to any previous similar events at the same plant that are known to the licensee;

(6) The name and telephone number of a person within the licensee's organization who is knowledgeable about the event and can provide additional information concerning the event and the plant's characteristics;

(7) The extent of exposure of individuals to radiation or to radioactive materials without identification of individuals by name.

7. In § 72.122, paragraphs (h)(4) and (i) are revised to read as follows:

§ 72.122 Overall Requirements.

* * * * *

(h) * * *

(4) Storage confinement systems must have the capability for continuous monitoring in a manner such that the licensee will be able to determine when corrective action needs to be taken to maintain safe storage conditions. For dry storage, periodic monitoring is sufficient provided that periodic monitoring is consistent with the cask design requirements. The monitoring

period must be based upon the cask design requirements.

* * * * *

(i) *Instrumentation and control systems.* Instrumentation and control systems for wet spent fuel storage must be provided to monitor systems that are important to safety over anticipated ranges for normal operation and off-normal operation. Those instruments and control systems that must remain operational under accident conditions must be identified in the Safety Analysis Report. Instrumentation systems for dry spent fuel storage casks must be provided in accordance with cask design requirements to monitor conditions that are important to safety over anticipated ranges for normal conditions and off-normal conditions. Systems that are required under accident conditions must be identified in the Safety Analysis Report.

* * * * *

8. In § 72.124, paragraph (b) is revised to read as follows:

§ 72.124 Criteria for nuclear criticality safety.

* * * * *

(b) *Methods of criticality control.* When practicable the design of an ISFSI or MRS must be based on favorable geometry, permanently fixed neutron absorbing materials (poisons), or both. Where solid neutron absorbing materials are used, the design must provide for positive means of verifying their continued efficacy. For dry spent fuel storage systems, the continued efficacy may be confirmed by a demonstration and analysis before use, showing that significant degradation of the neutron absorbing materials cannot occur over the life of the facility.

* * * * *

9. In § 72.140, paragraph (d) is revised to read as follows:

§ 72.140 Quality assurance requirements.

* * * * *

(d) *Previously approved programs.* A Commission-approved quality assurance program which satisfies the applicable criteria of Appendix B to Part 50 of this chapter and which is established, maintained, and executed with regard to an ISFSI will be accepted as satisfying the requirements of paragraph (b) of this section except that a licensee using an Appendix B quality assurance program also shall meet the requirement of § 72.174 for recordkeeping. Prior to initial use, the licensee shall notify the Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, of its intent to apply its previously approved Appendix B program to ISFSI activities. The licensee shall identify the program by date of submittal to the Commission, docket number, and date of Commission approval.

10. In § 72.216, paragraph (c) is revised to read as follows:

§ 72.216 Reports.

* * * * *

(c) The general licensee shall make initial and written reports in accordance with §§ 72.74 and 72.75, except for the events specified by § 72.75(b)(2) and (3) for which the initial reports will be made under paragraph (a) of this section.

Dated at Rockville, Maryland, this 3rd day of June, 1998.

For the Nuclear Regulatory Commission.

John C. Hoyle,

Secretary of the Commission.

[FR Doc. 98–15265 Filed 6–8–98; 8:45 am]

BILLING CODE 7590–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–CE–02–AD]

RIN 2120–AA64

Airworthiness Directives; Alexander Schleicher Segelflugzeugbau Models K 8 and K 8 B Sailplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to all Alexander Schleicher Segelflugzeugbau (Alexander Schleicher) Models K 8 and K 8 B sailplanes. The proposed AD would require inspecting the canopy hood lock assembly to assure that the height of the cam is at least 2 millimeters (mm), and modifying or replacing any canopy hood lock assembly where the cam is less than 2 mm in height. The proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Germany. The actions specified by the proposed AD are intended to prevent the canopy from coming open in flight because the height of the locking cam is less than 2 mm, which could result in loss of the canopy with consequent pilot injury.

DATES: Comments must be received on or before July 13, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–CE–02–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from Alexander Schleicher Segelflugzeugbau, 6416 Poppenhausen, Wasserkuppe, Federal Republic of Germany. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Mike Kiesov, Project Officer, Sailplanes/Gliders, FAA, Small Airplane Directorate, Aircraft Certification Service, 1201 Walnut, suite 900, Kansas City, Missouri 64106; telephone: (816) 426–6934; facsimile: (816) 426–2169.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–CE–02–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the

FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–CE–02–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

The Luftfahrt-Bundesamt (LBA), which is the airworthiness authority for Germany, notified the FAA that an unsafe condition may exist on all Alexander Schleicher Models K 8 and K 8 B sailplanes. The LBA reports that the fabrication of the canopy lock cam may be incorrect. In particular, the height of the canopy locking cam may be less than 2 mm. If the height of the locking cam is not at least 2 mm, then the canopy may come open in flight.

This condition, if not corrected, could result in loss of the canopy with possible pilot injury.

Relevant Service Information

Alexander Schleicher has issued Technical Note No. 21, dated May 12, 1980, which specifies procedures for (1) inspecting the canopy locking cam to assure that a height of at least 2 mm exists; and (2) modifying any canopy locking cam where the height is less than 2 mm.

The LBA classified this service bulletin as mandatory and issued German AD 80–158, dated June 16, 1980, in order to assure the continued airworthiness of these sailplanes in Germany.

The FAA's Determination

This sailplane model is manufactured in Germany and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the LBA has kept the FAA informed of the situation described above.

The FAA has examined the findings of the LBA; reviewed all available information, including the service information referenced above; and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of the Provisions of the Proposed AD

Since an unsafe condition has been identified that is likely to exist or develop in other Alexander Schleicher Models K 8 and K 8 B sailplanes of the same type design registered in the United States, the FAA is proposing AD action. The proposed AD would require inspecting the canopy hood lock assembly to assure that the height of the cam is at least 2 mm, and modifying or replacing any canopy hood lock assembly where the cam is less than 2 mm in height. Accomplishment of the proposed action would be in accordance with Alexander Schleicher Technical Note No. 21, dated May 12, 1980.

Compliance Time of the Proposed AD

Although the canopy opening would only be unsafe during flight, the condition specified in the proposed AD is not a result of the number of times the sailplane is operated. The chance of this situation occurring is the same for a sailplane with 10 hours time-in-service (TIS) as it would be for a sailplane with 500 hours TIS. For this reason, the FAA has determined that a compliance based on calendar time should be utilized in this AD in order to assure that the unsafe condition is addressed on all sailplanes in a reasonable time period.

Cost Impact

The FAA estimates that 100 sailplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 1 workhour per sailplane to accomplish the proposed inspection, and that the average labor rate is $60 per work hour. No parts would be required to accomplish the modification. Parts would cost $50 per sailplane if the replacement option is chosen over the modification. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be $11,000, or $110 per sailplane if the replacement option is chosen; or $6,000, or $60 per sailplane if the modification option is chosen.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 a new airworthiness directive (AD) to read as follows:

Alexander Schleicher Segelflugzeugbau: Docket No. 98–CE–02–AD.

Applicability: Models K 8 and K 8 B sailplanes, all serial numbers, certificated in any category.

Note 1: This AD applies to each sailplane 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 sailplanes 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 (d) 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 in the body of this AD, unless already accomplished.

To prevent the canopy from coming open in flight because the height of the locking cam is less than 2 millimeters (mm), which could result in loss of the canopy with consequent pilot injury, accomplish the following:

(a) Within the next 3 calendar months after the effective date of this AD, inspect the canopy hood lock assembly to assure that the height of the cam is at least 2 mm, in accordance with Alexander Schleicher Technical Note No. 21, dated May 12, 1980.

(b) Prior to further flight after the inspection required by paragraph (a) of this AD, accomplish one of the following, if applicable:

(1) Modify (file) any canopy hood lock assembly where the cam is less than 2 mm

in height, in accordance with Alexander Schleicher Technical Note No. 21, dated May 12, 1980; and apply a corrosion preventative (alodine or equivalent substitute); or

(2) Replace any canopy hood lock assembly where the cam is less than 2 mm in height, in accordance with the applicable maintenance manual.

(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 sailplane to a location where the requirements of this AD can be accomplished.

(d) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Manager, Small Airplane Directorate, Aircraft Certification Service, 1201 Walnut, suite 900, Kansas City, Missouri 64106. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Small Airplane Directorate.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Small Airplane Directorate.

(e) Questions or technical information related to Alexander Schleicher Technical Note No. 21, dated May 12, 1980, should be directed to Alexander Schleicher Segelflugzeugbau, 6416 Poppenhausen, Federal Republic of Germany; telephone: 49.6658.890 or 49.6658.8920; facsimile: 49.6658.8923 or 49.6658.8940. This service information may be examined at the FAA, Central Region, Office of the Regional Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Note 3: The subject of this AD is addressed in German AD No. 80–158, dated June 16, 1980.

Issued in Kansas City, Missouri, on June 1, 1998.

Ronald K. Rathgeber,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15204 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–CE–111–AD]

RIN 2120–AA64

Airworthiness Directives; Pilatus Britten-Norman Ltd. BN–2, BN–2A, BN–2B, and BN–2A MK.III Series Airplanes.

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to certain Pilatus Britten-Norman Ltd. (PBN) BN–2, BN-2A, BN–2B, and BN–2A MK.III series airplanes that are equipped with a PBN Modification NB/M/256, 50A generator system. The proposed action would require inspecting the airplanes that are equipped with a 50A generator system for a 70A generator. If a 70A generator is installed, the proposed action would require replacing the 70A generator with a 50A generator, or (for the BN–2, BN–2A, and BN–2B series only) upgrading the airplane generator system to a 70A system to match the 70A generator. The proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for the United Kingdom. The actions specified by the proposed AD are intended to prevent damage to the components of the electrical system, which could result in electrical system failure during critical phases of flight.

DATES: Comments must be received on or before July 17, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 97–CE–111–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from Pilatus Britten-Norman, Ltd., Bembridge, Isle of Wight, United Kingdom, PO35 5PR. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Mr. Roger Chudy, Project Officer, FAA, Small Airplane Directorate, 1201 Walnut, suite 900, Kansas City, Missouri, 64106; telephone (816) 426–6932, facsimile (816) 426–2169.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 97–CE–111–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 97–CE–111–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

The Civil Airworthiness Authority (CAA), which is the airworthiness authority for the United Kingdom, notified the FAA that an unsafe condition may exist on certain PBN BN–2, BN–2A, BN–2B, and BN–2A MK.III series airplanes. The CAA reports that some operators have had 70A generators installed on 50A systems, which may damage the electrical system's components. The 50A generator system, which is known as PBN Modification NB/M/256, is not designed to work with a higher ampere generator.

These conditions, if not corrected, could result in damage to the electrical systems with consequent failure during critical phases of flight.

Relevant Service Information

PBN has issued Service Bulletin No. BN–2/SB.229, dated October 17, 1996, which specifies procedures for inspecting for a 70A generator on PBN BN–2, BN–2A, BN–2B, and BN–2A MK.III series airplanes that are equipped with PBN Modification NB/M/256 (a 50A generator system). If a 70A generator is installed, the service information specifies procedures for replacing the 70A generator with a 50A generator, or (for the BN–2, BN–2A, and BN–2B series only) installing PBN Modification NB/M/1148, which incorporates a 70A generator system.

The CAA classified this service bulletin as mandatory and issued British

AD 007–10–96, not dated, in order to assure the continued airworthiness of these airplanes in United Kingdom.

The FAA's Determination

This airplane model is manufactured in the United Kingdom and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the CAA has kept the FAA informed of the situation described above.

The FAA has examined the findings of the CAA; reviewed all available information, including the service information referenced above; and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of the Provisions of the Proposed AD

Since an unsafe condition has been identified that is likely to exist or develop in other PBN BN–2, BN–2A, BN–2B, and BN–2A MK.III series airplanes of the same type design registered in the United States, the FAA is proposing AD action. The proposed AD would require:

- Inspecting the airplane for a 70A generator installed on a 50A generator system;
- For PBN BN–2A MK.III series airplanes, if a 70A generator is installed on a 50A generator system, the proposed AD would require replacing the 70A generator with a 50A generator;
- For the BN–2, BN–2A, and BN–2B series airplanes, the proposed AD would require either replacing the 70A generator with a 50A generator; or upgrading the 50A generator system to a 70A generator system by installing PBN Modification NB/M/1148; and,
- If PBN Modification NB/M/1148 is installed, the proposed action would require the installation of PBN Modification NB/M/1571 (which improves the diodes on the 70A generator system).

Accomplishment of the proposed inspection and installation or replacement would be in accordance with PBN Service Bulletin No. BN–2/SB.229, dated October 17, 1996.

The Proposed Action As It Relates to Current AD's

The FAA has recently issued AD 98–04–17, Amendment 39–10329 (63 FR 7696, February 17, 1998), which requires that any PBN BN–2, BN–2A, and BN–2B series airplanes that are not equipped with Modification NB/M/1571, but are equipped with PBN Modification NB/M/1148 (which incorporates the 70A generator system) should also be equipped with PBN Modification NB/M/1571. AD 98–04–17 does not affect any airplane that is equipped with a 50A generator system.

Since the proposed AD provides an option that would require accomplishment of AD 98–04–17, the FAA is including reference of other similar AD requirements. Operators of BN–2, BN–2A, and BN–2B series airplanes that have 70A generators installed on 50A generator systems, and choose the proposed option of upgrading their 50A generator system to a 70A generator system, would be subject to the requirements in AD 98–04–17. This proposed action would concurrently require installing higher amperage diodes in the 70A generator.

Pilatus Britten-Norman has informed the FAA that Modification NB/M/1148 or Modification NB/M/1571 is not approved for installation on the BN–2A MK.III series airplanes.

Cost Impact

The FAA estimates that 80 airplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 7 workhours per airplane to accomplish the proposed action, and that the average labor rate is approximately $60 an hour. Parts cost approximately $500 per airplane. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be $73,600, or $920 per airplane.

Proposed Calendar Compliance Time

The condition addressed by the proposed AD is not caused by actual hours time-in-service (TIS) of the aircraft where the affected generators are installed. The need for the generator system modification or replacement has no correlation to the number of times the equipment is utilized or the age of the equipment. For this reason, the compliance time of the proposed AD is presented in calendar time instead of hours TIS.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 a new airworthiness directive (AD) to read as follows:

Pilatus Britten-Norman Ltd.: Docket No. 97–CE–111–AD.

Applicability: Models BN–2, BN–2A, BN–2A–2, BN–2A–3, BN–2A–6, BN–2A–8, BN–2A–9, BN–2A–20, BN–2A–21, BN–2A–26, BN–2A–27; BN–2B–20, BN–2B–21, BN–2B–26, BN–2B–27, BN–2A MK.III, BN–2A MK.111–2, and BN–2A MK.111–3 airplanes, all serial numbers, certificated in any category, that are equipped with PBN Modification NB/M/256, a 50A Generator System.

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 (d) 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 within the next 3 calendar months after the effective date of this AD, unless already accomplished.

To prevent damage to the components of the generator system, which could result in generator system failure during critical phases of flight, accomplish the following:

(a) Inspect the generator system for the installation of a 70A generator in accordance with the Inspection section of Pilatus Britten-Norman (PBN) Service Bulletin (SB) No. BN–2/SB.229, dated October 17, 1996.

(b) If a 70A generator is installed, accomplish the following, as applicable:

(1) For Models BN–2, BN–2A, BN–2A–2, BN–2A–3, BN–2A–6, BN–2A–8, BN–2A–9, BN–2A–20, BN–2A–21, BN–2A–26, BN–2A–27, BN–2B–20, BN–2B–21, BN–2B–26, and BN–2B–27 airplanes, prior to further flight, either:

(i) Replace the 70A generator with a 50A generator in accordance with the Replacement section of PBN SB No. BN–2/SB.229, dated October 17, 1996; or

(ii) Incorporate PBN Modification NB/M/1148 (a 70A generator system) in accordance with the appropriate Pilatus Britten-Norman maintenance manual; and, incorporate PBN Modification NB/M/1571 (installation of improved generator diodes) in accordance with PBN SB No. BN–2/228, Issue 2, dated January 17, 1996.

Note 2: Incorporating PBN Modification NB/M/1571 is the same action required by AD 98–04–17, Amendment 39–10329.

(2) For Models BN–2A MK.III, BN–2A MK.111–2, and BN–2A MK.111–3 airplanes, prior to further flight, replace the 70A generator with a 50A generator in accordance with the Replacement section of PBN SB No. BN–2/SB.229, dated October 17, 1996.

(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) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Small Airplane Directorate, 1201 Walnut, suite 900, Kansas City, Missouri, 64106. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Small Airplane Directorate.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Small Airplane Directorate.

(e) Questions or technical information related to PBN Service Bulletin No. BN–2/SB.229, dated October 17, 1996, or Pilatus Britten-Norman Service Bulletin No. BN–2/SB.228, dated January 17, 1996, should be directed to Pilatus Britten-Norman, Ltd., Bembridge, Isle of Wight, United Kingdom, PO35 5PR. This service information may be examined at the FAA, Central Region, Office of the Regional Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Note 4: The subject of this AD is addressed in British AD 007–10–96, not dated.

Issued in Kansas City, Missouri, on June 1, 1998.

Ronald K. Rathgeber,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15203 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–CE–49–AD]

RIN 2120–AA64

Airworthiness Directives; S.N. Centrair 101 Series Sailplanes.

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to all S.N. Centrair (Centrair) 101 series sailplanes. The proposed AD would require replacing the airbrake control circuit with one of improved design. The proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for France. The actions specified by the proposed AD are intended to prevent loss of the airbrake control system, which could result in an inadvertent forced landing.

DATES: Comments must be received on or before July 17, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–CE–49–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from S.N. Centrair, Aerodrome, 36300 Le Blanc, France; telephone: 02.54.37.07.96; facsimile: 02.54.37.48.64. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Mr. Mike Kiesov, Project Officer, Sailplanes/Gliders, FAA, Small Airplane Directorate, Aircraft Certification Service, 1201 Walnut, suite 900, Kansas City, Missouri 64106; telephone: (816) 426–6934; facsimile: (816) 426–2169.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–CE–49–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–CE–49–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

The Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, recently notified the FAA that an unsafe condition may exist on Centrair 101 series sailplanes. The DGAC reports that the airbrake control system has malfunctioned on one of these Centrair 101 series sailplanes. Following an investigation, the DGAC found that the airbrake control circuit had cracked, which consequently failed during flight.

This condition, if not corrected, could result in an inadvertent forced landing.

Relevant Service Information

S.N. Centrair has issued Service Bulletin (SB) No. 101–16, Revision 2, dated September 10, 1997, which

specifies procedures for inspecting the airbrake control system for cracks, and if cracks are found, replacing the airbrake control system with a reinforced airbrake control system. Sailplanes equipped with a manual aileron and airbrake control would replace the existing airbrake control system with a reinforced airbrake control system, part number (P/N) $YO57D. Sailplanes equipped with an automatic aileron and airbrake control system would replace the existing airbrake control system with a reinforced airbrake control system, P/N $Y818E. This service information also specifies repeating the inspection for cracks at the annual inspection.

The DGAC classified this service bulletin as mandatory and issued French AD 95–261(A)R1, dated November 20, 1996, in order to assure the continued airworthiness of these sailplanes in France.

The FAA's Determination

This sailplane model is manufactured in France and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above.

The FAA has examined the findings of the DGAC; reviewed all available information, including the service information referenced above; and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of the Provisions of the Proposed AD

Since an unsafe condition has been identified that is likely to exist or develop in other Centrair 101 series sailplanes of the same type design registered in the United States, the FAA is proposing AD action. The proposed AD would require replacing the existing airbrake control system. Accomplishment of the proposed replacement would be in accordance with the appropriate Centrair maintenance manual and FAA Advisory Circular (AC) 43.13–1A: Acceptable Methods, Techniques, and Practices—Aircraft Inspection and Repair.

Proposed Compliance Time

The compliance time of the proposed AD is in calendar time instead of hours time-in-service (TIS). The average monthly usage of the affected sailplanes ranges throughout the fleet. For example, one owner may operate the sailplane 25 hours TIS in one week, while another operator may operate the sailplane 25 hours TIS in one year. In order to ensure that all of the owners/operators of the affected sailplane have replaced the airbrake control system within a reasonable amount of time, the FAA is proposing a compliance time of 3 calendar months.

Cost Impact

The FAA estimates that 41 sailplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 4 workhours per sailplane to accomplish the proposed action, and that the average labor rate is approximately $60 an hour. Parts cost approximately $100 per sailplane. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be $13,940, or $340 per sailplane.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 a new airworthiness directive (AD) to read as follows:

S.N. Centrair: Docket No. 98–CE–49–AD.

Applicability: Models 101, 101A, 101P, 101AP sailplanes, all serial numbers, certificated in any category.

Note 1: This AD applies to each sailplane 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 sailplanes 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 (c) 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 within the next 3 calendar months after the effective date of this AD, unless already accomplished.

To prevent loss of the airbrake control system, which could result in an inadvertent forced landing, accomplish the following:

(a) Replace the existing airbrake control system in accordance with the appropriate Centrair maintenance manual and FAA Advisory Circular (AC) 43.13–1A: Acceptable Methods, Techniques, and Practices-Aircraft Inspection and Repair, as follows:

(1) For sailplanes equipped with manual aileron and airbrake control systems, install Centrair part number (P/N) $YO57D or an FAA-approved equivalent part number.

(2) For sailplanes equipped with an automatic aileron and airbrake control system, install Centrair P/N $Y818E or an FAA-approved equivalent part number.

(b) 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 sailplane to a location where the requirements of this AD can be accomplished.

(c) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Small Airplane Directorate, 1201 Walnut, suite 900, Kansas City, Missouri 64106. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Small Airplane Directorate.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Small Airplane Directorate.

(d) This service information may be examined at the FAA, Central Region, Office of the Regional Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Note 3: The subject of this AD is addressed in French AD 95–261(A)R1, dated November 20, 1996

Issued in Kansas City, Missouri, on June 1, 1998.

Ronald K. Rathgeber,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15201 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95–CE–51–AD]

RIN 2120–AA64

Airworthiness Directives; The New Piper Aircraft, Inc. (Formerly Piper Aircraft Corporation) Models PA–28–140, PA–28–150, PA–28–160, and PA–28–180 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to revise Airworthiness Directive (AD) 96–10–01, which currently requires a complete landing light support replacement on certain The New Piper Aircraft, Inc. (Piper) Models PA–28–140, PA–28–150, PA–28–160, and PA–28–180 airplanes. Some of the serial numbers for these airplanes were incorrectly referenced in the Applicability section of AD 96–10–01. The proposed AD maintains the requirements of AD 96–10–01, and corrects the serial numbers referenced in the applicability section. The actions specified by the proposed AD are intended to prevent the landing light retainer support seal from being ingested by the updraft carburetor, which could result in rough engine operation or possible engine failure and loss of control of the airplane.

DATES: Comments must be received on or before July 17, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 95–CE–51–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from The New Piper Aircraft, Inc., Attn: Customer Service, 2926 Piper Dr., Vero Beach, Florida, 32960. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: William O. Herderich, Aerospace Engineer, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Blvd., Suite 450, Atlanta, Georgia 30349; telephone (770) 703–6069; fax (770) 703–6097.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 95–CE–51–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 95–CE–51–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

AD 96–10–01, Amendment 39–9606 (61 FR 19813, May 3, 1996), currently requires a complete landing light support replacement on Piper Models PA–28–140, PA–28–150, PA–20–160 and PA–28–180 airplanes.

Accomplishment of this action is required in accordance with Piper Service Bulletin No. 975, dated November 2, 1994.

Actions Since Issuance of Previous Rule

The FAA has since realized that it incorrectly included Models PA–28–150, 160, and 180 airplanes, serial numbers 28–1761 through 28–7505259 and 28–E13, in AD 96–10–01. Since these airplanes have the air intake on the side of the cowling, they are not affected by the condition of the landing light seals.

The FAA's Determination

After examining the circumstances and reviewing all available information related to the incidents described above, the FAA has determined that AD action should be taken to prevent the landing light retainer support seal from being ingested by the updraft carburetor, which could result in rough engine operation or possible engine failure and loss of control of the airplane.

Explanation of the Provisions of the Proposed AD

Since an unsafe condition has been identified that is likely to exist or develop in other Piper Models PA–28–140, PA–28–150, PA–28–160, and PA–28–180 airplanes of the same type design, the proposed AD would revise AD 96–10–01 to require the same actions, but would change the applicability of the AD from Models PA–28–140 airplanes, serial numbers (S/N) 28–20000 through 28–7725290, Models PA–28–150, 160, and 180 airplanes, S/N 28–1 through 28–7505259, and S/N 28–E13 to Models PA–28–140 airplanes, S/N 28–20000 through 28–7725290, PA–28–150, PA–28–160, and PA–28–180, serial numbers 28–1 through 28–1760.

The actions of the proposed AD would still be required in accordance with Piper SB No. 975, dated November 2, 1994.

Cost Impact

The FAA estimates that 10,100 airplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 2 workhours per airplane to accomplish the proposed action, and that the average labor rate is approximately $60 an hour. Parts cost approximately $140 per airplane. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be $2,626,000. This figure is based on the assumption that all of the affected airplanes have old landing

light support and seal assemblies and that none of the owners/operators of the affected airplanes have replaced the landing light support and seal assemblies with parts of improved design.

Piper has informed the FAA that parts have been distributed to equip approximately 7,021 airplanes. Assuming that these distributed parts are incorporated on the affected airplanes, the cost of this AD will be reduced by $1,825,460 from $2,626,000 to $800,540.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action: (1) Is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 removing Airworthiness Directive (AD) 96–10–01, Amendment 39–39-9606, and adding a new AD to read as follows:

The New Piper Aircraft Inc.: Docket No. 95–CE–51–AD; Revises AD 96–10–01, Amendment 39–9606.

Applicability: The following airplane models and serial numbers, certificated in any category:

Models	Serial numbers
PA–28–140	28–20000 through 28–7725290.
PA–28–150, PA–28–160, and PA–28–180.	28–1 through 28–1760.

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 (c) 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 within the next 100 hours time-in-service (TIS) after the effective date of this AD, unless already accomplished.

Note 2: Early compliance is encouraged.

To prevent the landing light seal from lodging in the carburetor, which could result in rough engine operation or possible engine failure and possible loss of control of the airplane, accomplish the following:

(a) Replace the landing light support and seal assembly in accordance with the ACCOMPLISHMENT INSTRUCTIONS section of Piper Service Bulletin No. 975, dated November 2, 1994.

(b) 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.

(c) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Blvd., Suite 450, Atlanta, Georgia 30349.

(1) The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta Aircraft Certification Office.

(2) Alternative methods of compliance approved in accordance with AD 96–10–01, are considered approved as alternative methods of compliance for this AD.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Atlanta Aircraft Certification Office.

(d) All persons affected by this directive may obtain copies of the document referred to herein upon request to The New Piper Aircraft, Inc., Attn: Customer Service, 2926 Piper Dr., Vero Beach, Florida, 32960; or may examine this document at the FAA, Central Region, Office of the Regional Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

(e) This amendment revises AD 96–10–01, Amendment 39–9606.

Issued in Kansas City, Missouri, on June 1, 1998.

Ronald K. Rathgeber,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15200 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–CE–12–AD]

RIN 2120–AA64

Airworthiness Directives; Glaser-Dirks Flugzeugbau GmbH Model DG–400 Gliders

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to certain Glaser-Dirks Flugzeugbau GmbH (Glaser-Dirks) Model DG–400 gliders. The proposed action would require inspecting the powerplant mount and the propeller mount for any loose parts. If parts are loose, the proposed AD would require immediately modifying the starter motor, retrofitting the holder for the starter motor, and checking the engine ignition timing. If parts are not found loose, the proposed AD would require modifying the starter motor, retrofitting the holder for the starter motor, and checking the engine ignition timing at a later time. The proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Germany. The actions specified by the proposed AD are intended to prevent damage to the engine caused by vibration, which could result in loss of engine power during critical phases of flight.

DATES: Comments must be received on or before July 17, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region,

Office of the Regional Counsel, Attention: Rules Docket No. 98–CE–12–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from DG Flugzeugbau GmbH, Im Schollengarten 19–20, 7520 Bruchsal 4, Germany; telephone: +49 7257–89–0; facsimile: +49 7257–8922. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Mike Kiesov, Aerospace Engineer, FAA, Small Airplane Directorate, Aircraft Certification Service, 1201 Walnut, suite 900, Kansas City, Missouri 64106; telephone: (816) 426–6934; facsimile: (816) 426–2169.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–CE–12–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–CE–12–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

The Luftfahrt-Bundesamt (LBA), which is the airworthiness authority for Germany, recently notified the FAA that an unsafe condition may exist on certain Glaser-Dirks Model DG–400 gliders. The LBA reports that several of these gliders have lost engine power during flight. Further investigation revealed that the powerplant propeller mount was not secure on some engines. This problem related back to the engine manufacturer not drilling the rear mount holes deep enough on the propeller mount to hold it securely during engine vibration.

These conditions, if not corrected, could result in the propeller mount and powerplant mount coming loose during critical phases of flight.

Relevant Service Information

DG Flugzeugbau has issued Technical Note Nr. 826/22 dated January 10, 1990, which specifies procedures for inspecting for loose parts on the powerplant and propeller mount and inserting revised pages into the maintenance manual. If any part is found loose, the service information specifies procedures for modifying the starter motor, retrofitting the holder of the starter motor, and checking the engine timing.

The LBA classified this service bulletin as mandatory and issued German AD 90–43, dated February 26, 1990, in order to assure the continued airworthiness of these gliders in Germany.

The FAA's Determination

This glider model is manufactured in Germany and is type certificated for operation in the United States under the provisions of § 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the LBA has kept the FAA informed of the situation described above.

The FAA has examined the findings of the LBA; reviewed all available information, including the service information referenced above; and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of the Provisions of the Proposed AD

Since an unsafe condition has been identified that is likely to exist or develop in other Glaser-Dirks Model DG–400 gliders of the same type design registered in the United States, the FAA is proposing AD action.

The proposed AD would require inspecting the powerplant mount and the propeller mount for loose parts. If any parts are loose, the proposed AD would require modifying the starter motor, retrofitting the holder for the starter motor, checking the engine ignition timing, and adjusting the timing if necessary.

Accomplishment of the proposed action would be in accordance with DG Flugzeugbau Technical Note Nr. 826/22, dated January 10, 1990.

Differences Between the Service Information and the Proposed AD

The manufacturer's service information specifies procedures for inspecting the powerplant mount for a secure, tight condition prior to every flight. This service information also specifies inserting revised pages to the maintenance manual.

The proposed AD would not require an inspection prior to each flight, and would not require inserting revised pages to the maintenance manual. The FAA will insert a ''NOTE'' into the body of the proposed AD, recommending inserting the revised pages into the maintenance manual.

Cost Impact

The FAA estimates that 35 gliders in the U.S. registry would be affected by the proposed AD, that it would take approximately 4 workhours per airplane to accomplish the proposed action, and that the average labor rate is approximately $60 an hour. Parts cost approximately $150 per airplane. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be $13,650, or $390 per glider.

Proposed Compliance Time

The compliance time of the proposed AD is in calendar time instead of hours time-in-service (TIS). The average monthly usage of the affected glider ranges throughout the fleet. For example, one owner may operate the glider 25 hours TIS in one week, while another operator may operate the glider 25 hours TIS in one year. In order to ensure that all of the owners/operators of the affected glider have inspected the powerplant and propeller mounts for loose parts within a reasonable amount of time, the FAA is proposing a calendar compliance time.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 a new airworthiness directive (AD) to read as follows:

Glaser-Dirks Flugzeugbau GMBH: Docket No. 98–CE–12–AD. Applicability: Model DG–400 gliders, serial numbers 4–1 through 4–249, certificated in any category.

Note 1: This AD applies to each glider 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 gliders 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 (c) 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 within 1 calendar month after the effective date of this AD, unless already accomplished.

To prevent damage to the engine caused by vibration, which could result in loss of engine power during critical phases of flight, accomplish the following:

(a) Inspect the powerplant (engine) mount and propeller mount for any loose parts in accordance with paragraph 1 in the Instructions section of Glaser-Dirks Technical Note (TN) Nr. 826/22, dated January 10, 1990.

(1) If any part of the powerplant mount or propeller mount is found loose, prior to further flight, accomplish paragraphs 2 through 4 in the Instructions section of Glaser-Dirks TN Nr. 826/22, dated January 10, 1990. The engine ignition timing procedures shall be accomplished in accordance with the appropriate Bombardier ROTAX maintenance manual for ROTAX engine type 505, which is referenced in Working Instruction No. 3, Instruction 4 of the Glaser-Dirks TN Nr. 826/22.

(2) If no part of the powerplant mount or propeller mount is loose upon the inspection required in paragraph (a) of this AD, accomplish paragraphs 2 through 4 in the Instructions section of Glaser-Dirks TN Nr. 826/22, dated January 10, 1990, within the next 3 calendar months after the date of the initial inspection.

Note 2: It is recommended that the manual pages referenced in the Instructions section of Glaser-Dirks TN Nr. 826/22 be inserted into the maintenance manual.

(b) 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 glider to a location where the requirements of this AD can be accomplished.

(c) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Small Airplane Directorate, FAA, 1201 Walnut, suite 900, Kansas City, Missouri 64106. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Small Airplane Directorate.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Small Airplane Directorate.

(d) Questions or technical information related to DG Flugzeugbau Technical Note No. 826/22, dated January 10, 1990, should be directed to DG Flugzeugbau GmbH, P.O. Box 4120, 76625 Bruchsal, Germany; telephone: +49 7257–89–0; facsimile: +49 7257–8922. This service information may be examined at the FAA, Central Region, Office of the Regional Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Note 4: The subject of this AD is addressed in German AD 90–43 Glaser-Dirks, dated February 26, 1990.

Issued in Kansas City, Missouri, on June 1, 1998.

Ronald K. Rathgeber,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15197 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–NM–116–AD]

RIN 2120–AA64

Airworthiness Directives; Bombardier Model CL–600–2B19 (Regional Jet Series 100 and 200) Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the supersedure of an existing airworthiness directive (AD), applicable to certain Bombardier Model CL–600–2B19 (Regional Jet Series 100 and 200) airplanes, that currently requires repetitive inspections to detect discrepancies of the shock strut end caps and attachment pins of the main landing gear (MLG), and replacement of discrepant parts with new parts. It also requires a check for and replacement of certain pins that currently may be installed on some airplanes. This action would add a requirement for the installation of new, improved MLG shock strut upper and lower attachment pins, which would constitute terminating action for the repetitive inspections. This action also would reduce the applicability of the existing AD by removing certain airplanes. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent failure of attachment pins and the attachment pin end caps, which could result in failure of the MLG.

DATES: Comments must be received by July 9, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–116–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00

p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Bombardier, Inc., Canadair, Aerospace Group, P.O. Box 6087, Station Centre-ville, Montreal, Quebec H3C 3G9, Canada; or Messier-Dowty Inc., 574 Monarch Avenue, Ajax, Ontario L1S 2GB, Canada. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Engine and Propeller Directorate, New York Aircraft Certification Office, 181 South Franklin Avenue, Valley Stream, New York.

FOR FURTHER INFORMATION CONTACT: George Duckett, Aerospace Engineer, Airframe and Propulsion Branch, ANE–171, FAA, New York Aircraft Certification Office, Engine and Propeller Directorate, 10 Fifth Street, Third Floor, Valley Stream, New York 11581; telephone (516) 256–7525; fax (516) 256–2716.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 97–NM–116–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–116–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

On October 24, 1996, the FAA issued AD 96–22–14, amendment 39–9803 (61 FR 57319, November 6, 1996), applicable to certain Bombardier Model CL–600–2B19 (Regional Jet Series 100 and 200) airplanes, to require repetitive inspections to detect discrepancies of the shock strut end caps and attachment pins of the main landing gear (MLG), and replacement of discrepant parts with new parts. It also requires a check for and replacement of certain pins that currently may be installed on some airplanes.

That action was prompted by reports of corrosion, wear, and loss of chrome plating on the upper and lower attachment pins of the shock strut of the MLG, and reports of cracks in the lower attachment pins and the end cap of upper attachment pins. The requirements of that AD are intended to prevent failure of the attachment pin and the attachment pin end caps, which could result in failure of the MLG.

Actions Since Issuance of Previous Rule

In the preamble to AD 96–22–14, the FAA specified that the actions required by that AD were considered ''interim action'' and that once a terminating modification is developed, approved, and available, the FAA may consider additional rulemaking action. The manufacturer now has developed such a modification, and the FAA has determined that further rulemaking action is indeed necessary; this proposed AD follows from that determination.

Relevant Service Information

The manufacturer has issued Canadair Regional Jet Service Bulletin S.B. 601R–32–065, dated November 11, 1996. The Canadair service bulletin references Messier-Dowty Service Bulletin M–DT 17002–32–12, dated November 6, 1996, as an additional source of service information. These service bulletins describe procedures for the installation of new, improved MLG shock strut upper and lower attachment pins. The effectivity listing of the Canadair service bulletin limits the accomplishment of the installation to those airplanes on which the installation was not accomplished during production. Accomplishment of the installation eliminates the need for the repetitive inspections required by AD 96–22–14.

Transport Canada Aviation (TCA), which is the airworthiness authority for Canada, classified the Canadair service bulletin as mandatory and issued Canadian airworthiness directive CF–96–12R1, dated January 29, 1997, in order to assure the continued airworthiness of these airplanes in Canada.

FAA's Conclusions

This airplane model is manufactured in Canada and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, TCA has kept the FAA informed of the situation described above. The FAA has examined the findings of TCA, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would supersede AD 96–22–14 to continue to require the repetitive inspections to detect discrepancies of the shock strut end caps and attachment pins of the MLG. It also continues to require a check for and replacement of certain pins that currently may be installed on some airplanes. This new proposed AD would add a requirement for the installation of new, improved MLG shock strut upper and lower attachment pins, which would constitute terminating action for the repetitive inspections. In addition, this action would reduce the applicability of the existing AD by removing certain airplanes.

The actions would be required to be accomplished in accordance with the service bulletin described previously.

Cost Impact

There are approximately 41 Model CL–600–2B19 (Regional Jet Series 100 and 200) airplanes of U.S. registry that would be affected by this proposed AD.

The actions that are currently required by AD 96–22–14, and retained in this proposed AD, take approximately 25 work hours per airplane to accomplish, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the currently required actions on U.S. operators is estimated to be $61,500, or $1,500 per airplane.

The new actions that are proposed in this AD action would take approximately 13 work hours per airplane to accomplish, at an average labor rate of $60 per work hour. Required parts would be supplied by the manufacturer at no cost to the operators. Based on these figures, the cost impact of the new actions proposed by this AD on U.S. operators is estimated to be $31,980, or $780 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the current or proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 removing amendment 39–9803 (61 FR 57319, November 6, 1996), and by adding a new airworthiness directive (AD), to read as follows:

Bombardier, Inc. (Formerly Canadair): Docket 97–NM–116–AD. Supersedes AD 96–22–14, Amendment 39–9803.

Applicability: Model CL–600–2B19 (Regional Jet Series 100 and 200) airplanes, serial numbers 7003 through 7157 inclusive; 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 (f) 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 failure of attachment pins and the attachment pin end caps of the main landing gear (MLG), which could result in failure of the MLG, accomplish the following:

Restatement of the Requirements of AD 96–22–14

(a) *Serial Number Check.* For airplanes having serial numbers 7003 through 7126 inclusive: Within 150 landings after November 21, 1996 (the effective date of AD 96–22–14, amendment 39–9803), check the serial number of each MLG shock strut lower attachment pin, part number 17144–1, in accordance with paragraphs 2.A. and 2.B. of the Accomplishment Instructions of Canadair Regional Jet Alert Service Bulletin S.B. A601R–32–062, Revision 'C,' dated September 18, 1996; and paragraphs 2.A.(4), 2.B.(4), and 2.C.(3) of the Accomplishment Instructions of Messier-Dowty Service BulletinM–DT 17002–32–10, Revision 3, dated September 6, 1996.

(1) If the serial number is within the range of DCL206 through DCL259 inclusive, prior to further flight, remove the pin and install a new pin having a serial number outside (either higher or lower) of that range, in accordance with the service bulletins. Thereafter, inspect that replacement pin in accordance with paragraphs (b) and (c) of this AD.

(2) If the serial number is outside of the range (higher or lower) of DCL206 through DCL259 inclusive, thereafter inspect the pin in accordance with paragraphs (b) and (c) of this AD.

(b) *In-Situ Visual Inspection.* Within 150 landings after November 21, 1996, perform an in-situ visual inspection to detect discrepancies of the left- and right-hand shock strut of the MLG, in accordance with paragraphs 2.C. and 2.D. of the Accomplishment Instructions of Canadair Regional Jet Alert Service Bulletin S.B. A601R–32–062, Revision 'C,' dated September 18, 1996; and paragraph 2.B.(1) of the Accomplishment Instructions of Messier-Dowty Service Bulletin M–DT 17002–32–10, Revision 3, dated September 6, 1996.

Note 2: In-situ visual inspections that have been accomplished prior to November 21, 1996, in accordance with Messier-Dowty Service Bulletin M–DT 17002–32–10, dated June 13, 1996; Revision 1, dated June 29, 1996; or Revision 2, dated July 17, 1996; are considered acceptable for compliance with paragraph (b) of this amendment.

(1) If no discrepancy is detected, repeat the in-situ visual inspection thereafter at intervals not to exceed every ''A'' check or 400 landings, whichever occurs later.

(2) If any discrepancy is detected, prior to further flight, replace the discrepant part with a new part in accordance with the service bulletins. Thereafter, repeat the in-situ visual inspection at intervals not to exceed every ''A'' check or 400 landings, whichever occurs later.

(c) *Detailed Inspection.* Within 3,000 landings since the date of airplane manufacture, or within 400 landings after November 21, 1996, whichever occurs later, perform a detailed inspection to detect discrepancies of the shock strut end caps and attachment pins of the MLG, in accordance with paragraphs 2.E. and 2.F. of the Accomplishment Instructions of Canadair Regional Jet Alert Service Bulletin S.B. A601R–32–062, Revision 'C,' dated September 18, 1996; and paragraph 2.B.(2) of the Accomplishment Instructions of Messier-Dowty Service Bulletin M–DT 17002–32–10, Revision 3, dated September 6, 1996. Non-destructive testing (NDT) must be accomplished in accordance with the instructions provided or references referred to in these service bulletins. Where instructions in those documents specify dye penetrant inspections (DPI), accomplish fluorescent penetrant (Type 1) inspections, sensitivity level 3 or higher, using material qualified to Military Standard MIL–I–25135.

Note 3: Detailed inspections accomplished prior to November 21, 1996, in accordance with Messier-Dowty Service Bulletin M–DT 17002–32–10, dated June 13, 1996; Revision 1, dated June 29, 1996; or Revision 2, dated July 17, 1996; are considered acceptable for compliance with paragraph (c) of this amendment.

(1) If no discrepancy is detected, repeat the detailed inspection thereafter at intervals not to exceed 2,000 landings.

(2) If any discrepancy is detected, prior to further flight, replace the discrepant part with a new part in accordance with the service bulletins. Repeat the detailed inspection thereafter at intervals not to exceed 2,000 landings.

(d) As of November 21, 1996, no person shall install on any airplane an MLG shock strut lower attachment pin, part number 17144–1, that has a serial number that is within the range of DCL206 through DCL259 inclusive.

New Requirements of This AD

(e) Within 6 months after the effective date of this AD, install new MLG shock strut upper and lower attachment pins in accordance with Canadair Regional Jet Service Bulletin S.B. 601R–32–065, dated November 11, 1996. Accomplishment of this installation constitutes terminating action for the repetitive inspections required by paragraphs (b) and (c) of this AD.

Note 4: The Canadair service bulletin references Messier-Dowty Service Bulletin M–DT 17002–32–12, dated November 6, 1996, as an additional source of service information to accomplish the installation.

(f)(1) 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, New York Aircraft Certification Office (ACO), FAA, Engine and Propeller Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, New York ACO.

(2) Alternative methods of compliance, approved previously in accordance with AD 96–22–14, amendment 39–9803, are approved as alternative methods of compliance with this AD.

Note 5: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the New York ACO.

(g) 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.

Note 6: The subject of this AD is addressed in Canadian airworthiness directive CF–96–12R1, dated January 29, 1997.

Issued in Renton, Washington, on June 3, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15252 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–151–AD]

RIN 2120–AA64

Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Saab Model SAAB 2000 series airplanes. This proposal would require a one-time inspection for cracking of the rear pressure bulkhead; and installation of a reinforcement angle on the rear pressure bulkhead; or repair, if necessary. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent cracking of the rear pressure bulkhead, which could result in sudden loss of cabin pressure and the inability to withstand fail-safe loads.

DATES: Comments must be received by July 9, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–151–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Saab Aircraft AB, SAAB Aircraft Product Support, S–581.88, Linköping, Sweden. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 98–NM–151–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–151–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

The Luftfartsverket (LFV), which is the airworthiness authority for Sweden, notified the FAA that an unsafe condition may exist on certain Saab Model SAAB 2000 series airplanes. The LFV advises that, during full-scale fatigue testing on a test article, a crack was detected on the radius of the lower forward flange that connects the rear pressure bulkhead to the fuselage skin. The crack occurred when the test article reached 68,000 simulated flights. The LFV further advises that reinforcement of the lower forward flange area that connects the rear pressure bulkhead to the fuselage skin is required to meet the design life of the airplane. Such cracking, if not corrected, could result in sudden loss of cabin pressure and the inability to withstand fail-safe loads.

Explanation of Relevant Service Information

The manufacturer has issued SAAB Service Bulletin 2000–53–026, dated February 27, 1998, which describes procedures for a one-time inspection to detect cracking of the rear pressure bulkhead in the area of the lower forward flange that connects to the fuselage skin. Additionally, for airplanes on which no cracking is found, the service bulletin describes procedures for installation of a reinforcement angle on the rear pressure bulkhead in the area of the lower forward flange that connects to the fuselage skin. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition. The LFV classified this service bulletin as mandatory and issued Swedish airworthiness directive 1–122, dated March 2, 1998, in order to assure the

continued airworthiness of these airplanes in Sweden.

FAA's Conclusions

This airplane model is manufactured in Sweden and is type certificated for operation in the United States under the provisions of Section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the LFV has kept the FAA informed of the situation described above. The FAA has examined the findings of the LFV, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would require accomplishment of actions specified in the service bulletin described previously, except as discussed below.

Differences Between Proposed Rule and Service Bulletin

Operators should note that although the service bulletin specifies that the manufacturer may be contacted for disposition of cracks, this proposal would require the repair of those cracks be accomplished in accordance with a method approved by either the Manager, International Branch, ANM–116, FAA Transport Directorate; or the LFV (or its delegated agent). In light of the type of repair that would be required to address the identified unsafe condition, and in consonance with existing bilateral airworthiness agreements, the FAA has determined that, for this proposed AD, a repair approved by either the FAA or the LFV (or its delegated agent) would be acceptable for compliance with this proposed AD.

Cost Impact

The FAA estimates that 3 airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 6 work hours per airplane to accomplish the proposed inspection, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be $1,080, or $360 per airplane.

The proposed installation would take approximately 10 work hours per airplane, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the installation proposed by this AD on U.S. operators is estimated to be $1,800, or $600 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a 'significant regulatory action' under Executive Order 12866; (2) is not a 'significant rule' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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:

SAAB Aircraft AB: Docket 98–NM–151–AD.

Applicability: Model SAAB 2000 series airplanes, manufacturer serial numbers 004 through 050 inclusive, 052, 053, and 054; 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 cracking on the rear pressure bulkhead, which could result in sudden loss of cabin pressure and the inability to withstand fail-safe loads, accomplish the following:

(a) Within 4,000 flight cycles after the effective date of this AD, perform a one-time visual inspection for cracking on the rear pressure bulkhead in the area of the lower forward flange that connects to the fuselage skin, in accordance with SAAB Service Bulletin 2000–53–026, dated February 27, 1998.

(1) If no crack is detected, prior to further flight, install a reinforcement angle on the rear pressure bulkhead in the area of the lower forward flange that connects to the fuselage skin, in accordance with the service bulletin. After accomplishment of the installation, no further action is required by this AD.

(2) If any crack is detected, prior to further flight, repair in accordance with a method approved by either the Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, or the Luftfartsverket (or its delegated agent).

(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, International Branch, ANM–116. Operators shall submit their request through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(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.

Note 3: The subject of this AD is addressed in Swedish airworthiness directive 1–122, dated March 2, 1998.

Issued in Renton, Washington, on June 3, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15248 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96–NM–113–AD]

RIN 2120–AA64

Airworthiness Directives; Dornier Model 328–100 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Supplemental notice of proposed rulemaking; reopening of comment period.

SUMMARY: This document revises an earlier proposed airworthiness directive (AD), applicable to certain Dornier Model 328–100 series airplanes, that would have required repetitive inspections to detect cracking of the support beam of the main landing gear (MLG) fairing; and permanent repair of any cracking found, which would terminate the repetitive inspections. This new action revises the proposed rule by adding a requirement for installation of reinforcement parts for the longitudinal beam of the MLG fairing, which also would terminate the repetitive inspections. This new action also limits the applicability of the proposed rule. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by this new proposed AD are intended to prevent cracking of the support beam of the MLG fairing, which could result in reduced structural integrity of the lower part of the MLG fairing, and consequent separation of part of the fairing from the airplane and possible damage to the airplane or injury to persons on the ground.

DATES: Comments must be received by July 6, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 96–NM–113–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from FAIRCHILD DORNIER, DORNIER Luftfahrt GmbH, P.O. Box 1103, D–82230 Wessling, Germany. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 96–NM–113–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 96–NM–113–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to add an airworthiness directive (AD), applicable to certain Dornier Model 328–100 series airplanes, was published as a notice of proposed rulemaking (NPRM) in the **Federal Register** on April 9, 1997 (62 FR 17129). That NPRM would have required repetitive inspections to detect cracking of the support beam of the main landing gear (MLG) fairing; and permanent repair of any cracking found, which would terminate the repetitive inspections. That NPRM was prompted by reports of cracking of the support beam of the MLG fairing. That condition, if not corrected, could result in reduced structural integrity of the lower part of the MLG fairing, and consequent separation of part of the fairing from the airplane and possible damage to the airplane or injury to persons on the ground.

Disposition of Comments

Due consideration has been given to the comments received in response to the NPRM.

Request To Cite Additional Service Information

One commenter, the manufacturer, requests that the FAA revise the proposal to reference Dornier Service Bulletin SB–328–53–184, Revision 1, dated July 2, 1997. That service bulletin describes procedures for installation of reinforcement parts for the longitudinal beam of the MLG fairing, which would eliminate the need for the repetitive inspections. The effectivity listing of the service bulletin limits accomplishment of the installation of reinforcement parts to those airplanes on which the installation was not accomplished in production. Accomplishment of the action specified in the service bulletin is intended to adequately address the identified unsafe condition. The Luftfahrt-Bundesamt (LBA), which is the airworthiness authority for Germany, classified the original release of this service bulletin, dated January 10, 1997, as mandatory and issued German airworthiness directive 97–073, dated March 27, 1997, in order to assure the continued airworthiness of these airplanes in Germany.

The FAA concurs with the commenter's request. The FAA finds that accomplishment of the terminating action is necessary within 3,000 hours time-in-service, as specified in the German airworthiness directive. The FAA has revised this supplemental NPRM accordingly. Additionally, the cost impact information, below, has been revised to reflect any additional costs to operators.

Request To Revise Compliance Time

The manufacturer requests that the FAA consider adjusting the compliance time specified in paragraph (a)(2) of the proposed AD to provide an option for temporary repair if cracks less than 50 mm are found, and to allow a repetitive inspection every 300 flight hours until the crack length exceeds 50 mm, as recommended in Dornier Alert Service Bulletin ASB–328–53–010, dated October 13, 1995. The commenter states that the request is based on the work hours required to accomplish the installation of reinforcement parts (as described in Dornier Service Bulletin SB–328–53–184) and the availability of mod kits. Additionally, the commenter notes that this option for temporary repair would provide relief for operators to continue revenue flight until arrival at a suitable maintenance facility.

The FAA does not concur. As stated in the original NPRM, the FAA has determined that, due to the safety implications and consequences associated with such cracking, the permanent repair would be required to be accomplished prior to further flight, if evidence of cracking is found. This supplemental NPRM also adds a requirement for installation of reinforcement parts within 3,000 hours time-in-service, which would terminate the requirement for the repetitive inspections; this installation can be accomplished prior to any finding of cracks, and so may be more easily scheduled at the operator's convenience. Additionally, under the provisions of paragraph (d) of this supplemental NPRM, the FAA may approve requests for adjustments to the compliance time if data are submitted to substantiate that such an adjustment would provide an acceptable level of safety.

Conclusion

Since the change described previously expands the scope of the originally proposed rule, the FAA has determined that it is necessary to reopen the comment period to provide additional opportunity for public comment.

Cost Impact

The FAA estimates that 47 Dornier Model 328–100 series airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 1 work hour per airplane to accomplish the proposed inspection, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be $2,820, or $60 per airplane, per inspection cycle.

It would take approximately 8 work hours per airplane to accomplish the proposed installation of reinforcement parts, and that the average labor rate is $60 per work hour. Required parts would be supplied by the manufacturer at no cost to the operators. Based on these figures, the cost impact of the installation proposed by this AD on U.S. operators is estimated to be $22,560, or $480 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Should an operator be required to accomplish the permanent repair of cracked structure, it would take approximately 3 work hours per airplane to accomplish it, at an average labor rate of $60 per work hour. Required parts would be supplied by the manufacturer at no cost to the operators. Based on these figures, the cost impact of the repair action, if accomplished, is estimated to be $180 per airplane.

Regulatory Impact

The regulations proposed herein would 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 proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation: (1) Is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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:

Dornier Luftfahrt GmbH: Docket 96–NM–113–AD.

Applicability: Model 328–100 series airplanes, serial numbers 3005, 3008, 3009, and 3011 through 3079 inclusive; 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 (c) 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 reduced structural integrity of the lower part of the main landing gear (MLG) fairing, and consequent separation of part of the fairing from the airplane and possible damage to the airplane or injury to persons on the ground, accomplish the following:

(a) Within 300 hours time-in-service after the effective date of this AD, perform a visual inspection to detect cracking of the lower attachment flanges in the area of the bend radii of the forward and aft support beams of the MLG, in accordance with Dornier Alert Service Bulletin ASB–328–53–010, dated October 13, 1995.

(1) If no cracking is found, repeat the inspection thereafter at intervals not to exceed 300 hours time-in-service, until the actions required by either paragraph (a)(2) or (b) of this AD have been accomplished.

(2) If any cracking is found, prior to further flight, accomplish the permanent repair in accordance with the alert service bulletin. Accomplishment of the permanent repair constitutes terminating action for the repetitive inspections required by this AD.

(b) Within 3,000 hours time-in-service after the effective date of this AD, install reinforcement parts for the longitudinal beam

of the MLG, in accordance with Dornier Service Bulletin SB–328–53–184, Revision 1, dated July 2, 1997. Accomplishment of this installation constitutes terminating action for the requirements of this AD.

(c) 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, International Branch, ANM–116, 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, International Branch, ANM–116.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(d) 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.

Note 3: The subject of this AD is addressed in German airworthiness directives 95–413, dated November 2, 1995, and 97–073, dated March 27, 1997.

Issued in Renton, Washington, on June 3, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–15247 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98–ASW–31]

Proposed Revision of Class D Airspace; Dallas NAS, Dallas, TX

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to revise the Class D airspace extending upward from surface to and including 3,000 feet mean sea level(MSL), within a 4.2-mile radius of Grand Prairie Municipal Airport, TX. The development of global positioning system (GPS) and very high frequency omnidirectional range/distance measuring equipment (VOR/DME) standard instrument approach procedures (SIAPs) to runway 35 at Grand Prairie Municipal Airport, Grand Prairie, TX, has made this rule necessary. The intended effect of this proposal is to provide adequate controlled airspace for aircraft operating in the vicinity of Grand Prairie Municipal Airport, Grand Prairie, TX.

DATES: Comments must be received on or before August 10, 1998.

ADDRESSES: Send comments on the proposal in triplicate to Manager, Airspace Branch, Air Traffic Division, Federal Aviation Administration Southwest Region, Docket No. 98–ASW–31, Fort Worth, TX 76193–0520.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region Federal Aviation Administration, 2601 Meacham Boulevard, Fort Worth, TX, between 9:00 a.m. and 3:00 p.m., Monday through Friday except Federal holidays. An informal docket may also be examined during normal business hours at the Airspace Branch, Air Traffic Division, Federal Aviation Administration Southwest Region, 2601 Meacham Boulevard, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: Donald J. Day, Airspace Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Forth Worth, TX 76193–0520; telephone: (817) 222–5593.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify the airspace docket number and be submitted in triplicate to the address listed under the caption **ADDRESSES.** Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit, with those comments, a self-addressed, stamped, postcard containing the following statement ''Comments to Airspace Docket No. 98–ASW–31.'' The postcard will be date and time stamped and returned to the commenter. All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Office of the Regional Counsel, Southwest Region Federal Aviation Administration, 2601 Meacham Boulevard, Fort Worth, TX, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Operations Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Fort Worth, TX 76193–0520. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11–2A that describes the application procedure.

The Proposal

The FAA is considering an amendment to 14 CFR part 71 to establish Class D airspace, controlled airspace extending upward from the surface to and including 3,000 feet MSL, at Grant Prairie Municipal Airport, Grand Prairie, TX. The development of GPS and VOR/DME SIAPs to runway 35 at Grand Prairie Municipal Airport, Grand Prairie, TX, has made this rule necessary. The intended effect of this proposal is to provide adequate Class D airspace for aircraft operating in the vicinity of Grand Prairie Municipal Airport, Grand Prairie, TX.

The coordinates for this airspace docket are based on North American Datum 83. Designated Class D airspace areas are published in Paragraph 5000 of FAA Order 7400.9E, dated September 10, 1997, and effective September 16, 1997, which is incorporated by reference in 14 CFR 71.1. The Class D airspace designation listed in this document would be published subsequently in the order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations that need frequent and routine amendments to keep them operationally current. It, therefore—(1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9E, *Airspace Designations and Reporting Points*, dated September 10, 1997, and effective September 16, 1997, is amended as follows:

Paragraph 5000 Class D airspace areas.

* * * * *

ASW TX D Dallas NAS Dallas, TX [Revised]

Dallas NAS Hensley Field, TX
(lat. 32°44′04″N., long. 96°58′03″W.)
Dallas, Redbird Airport, TX
(lat. 32°40′51″N., long. 96°52′06″W.)
Grand Prairie Municipal Airport, TX
(lat. 32°41′54″N., long. 97°02′48″W.)

That airspace extending upward from the surface to and including 2,000 feet MSL within a 4.2-mile radius of Dallas NAS Hensley Field and within a 4.2–mile radius of the Redbird Airport excluding that airspace east of a line from lat. 32°37′40″N., long. 96°55′21″W.; to lat. 32°39′35″N., long. 96°54′16″W.; to lat. 32°44′20″N., long. 96°53′59″W.; and that airspace upward from the surface to but not including 3,000 feet MSL within a 4.2-mile radius of the Grand Prairie Municipal Airport; excluding that airspace west of a line from lat. 32°45′52″N., long. 97°04′30″W.; to lat. 32°38′12″N., long. 97°05′10″W.; excluding that airspace within the Dallas-Fort Worth, TX, Class B airspace area. This Class D airspace is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airport/Facility Directory.

* * * * *

Issued in Fort Worth, TX, on May 26, 1998.

Albert L. Viselli,

Acting Manager, Air Traffic Division, Southwest Region.

[FR Doc. 98–15310 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Parts 113 and 151

RIN 1515–AB60

Accreditation of Commercial Testing Laboratories; Approval of Commercial Gaugers

AGENCY: Customs Service, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes to amend the Customs Regulations relating to the commercial testing and gauging of imported merchandise, pursuant to Customs modernization provisions of the North American Free Trade Agreement Implementation Act. The proposed regulations revise the general procedures for the accreditation/reaccreditation of commercial laboratories, the approval/reapproval of commercial gaugers, and the suspension and revocation of such accreditations/approvals. Further, the proposed regulations establish a reimbursable fee schedule that Customs will charge such laboratories/gaugers to accredit/approve and periodically reaccredit/reapprove their commercial services, and make provision for the imposition of monetary penalties for failure to adhere to any of the provisions applicable to the examination, sampling, and testing of imported merchandise.

DATES: Comments must be received on or before August 10, 1998.

ADDRESSES: Written comments (preferably in triplicate) may be addressed to the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, 1300 Pennsylvania Avenue, NW., Washington, DC 20229. Comments submitted may be inspected at the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, Suite 3000, 1300 Pennsylvania Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ira Reese, Laboratories & Scientific Services, (202) 927–1060.

SUPPLEMENTARY INFORMATION:

Background

On December 8, 1993, the United States enacted the North American Free Trade Agreement Implementation Act (the Act), Pub. L. 103–182, 107 Stat. 2057. Title VI of the Act contains provisions pertaining to Customs Modernization (107 Stat. 2170); section 613 of Subtitle A to Title VI amends section 499 of the Tariff Act of 1930 (19 U.S.C. 1499), which provides Customs with the authority to conduct examinations and detain imported merchandise.

The Commercial Laboratory/Gauger Testing Provisions of Section 613

The provisions of section 613, among other things, codify Customs regulations and administrative guidelines concerning the use of commercial laboratories and gaugers by adding a new paragraph (b) to section 499 (19 U.S.C. 1499(b)). Regarding the accreditation/approval aspects of commercial laboratories/gaugers, the provisions of new paragraph (b) authorize Customs to:

(1) Set procedures for the accreditation of commercial laboratories in the United States, which may be used to perform tests relating to the admissibility, quantity, composition, or characteristics of imported merchandise, and the approval of commercial gaugers in the United States, which may be used to perform tests to establish the quantities of imported merchandise;

(2) Impose reasonable charges for such accreditations/approvals and periodic reaccreditations/reapprovals; and

(3) Establish the conditions regarding the suspension and revocation of such accreditations and approvals, which may include the imposition of monetary penalties not to exceed $100,000, in addition to penalties for any loss of revenue, in appropriate cases.

Regarding the testing/gauging aspects of commercial laboratories/gaugers, new paragraph (b) further provides that:

(1) In the absence of Customs testing, Customs shall accept analysis and quantity results from Customs-accredited laboratories and Customs-approved gaugers; however, this circumstance does not limit or otherwise preclude Customs or any other Federal agency from independently testing, analyzing, or quantifying any sample or merchandise;

(2) Testing procedures and methodologies will be made available upon request to any person, except when they are proprietary to the holder of a copyright or patent or developed by Customs for enforcement purposes; information resulting from any Customs testing will be made available to the importer of record and any agents thereof, except when the information meets the above specified exclusions from disclosure; and

(3) Laboratories/gaugers may seek judicial review of any final Customs decision that adversely affects their accreditation/approval, *i.e.*, denial, suspension, or revocation, or that

imposes a monetary penalty, by commencing an action within 60 days of such decision in the Court of International Trade.

New paragraph (b) also provides that commercial laboratories/gaugers already accredited/approved under current Customs regulations (*see*, 19 CFR 151.13) will not be required to reapply, but will be subject to reaccreditation/reapproval procedures and requirements. Until the time for reaccreditation/reapproval, those commercial laboratories/gaugers already accredited/approved may conduct only those tests they were originally accredited/approved to perform.

A. Proposed Amendments Concerning Accrediting Commercial Laboratories

Heretofore, Customs accredited commercial laboratories to perform selected tests on certain imported merchandise entered under chapters 27 (pertaining to mineral fuels, mineral oils and products of their distillation; bituminous substances; and mineral waxes) and 29 (pertaining to organic chemicals) of the Harmonized Tariff Schedule of the United States (HTSUS). The proposed amendments will expand the scope of accreditation to allow laboratories to perform the majority of tests vested in, or delegated to, the Customs Service; accreditation will extend to the performance of functions for determining the admissibility, quantity, composition, or characteristics of imported merchandise. Accordingly, more importers may now choose, at their expense, to have merchandise tested by Customs-accredited laboratories whose test results will be accepted by Customs, if the importer certifies that the sample tested was taken from the merchandise in the entry. This could result in the earlier availability of test results and should assist in the proper classification and entry of imported merchandise.

The proposed regulations do not preclude Customs from testing merchandise from a shipment which has already been tested by an accredited laboratory at the importer's expense. Occasionally, Customs may request sample splits (discussed below) retained by accredited laboratories to test. In cases where merchandise has been analyzed by both Customs and an accredited laboratory, Customs actions will be based upon the analysis provided by Customs, unless other action is indicated by the Director, Laboratories & Scientific Services (Director).

Merchandise samples tested by accredited laboratories will be from an importer's actual importations. Customs will release to the importer a representative sample of the merchandise, which will be taken and split into two essentially equal parts under Customs supervision at the port of entry. Each part will be of sufficient size so that complete testing for Customs purposes can be performed. The accredited laboratory will test one part and retain the second sample and any remnants from the testing, under proper storage conditions, for a period of one year from the date of the laboratory's final analysis report, unless other instructions are issued in writing by Customs. At the end of the one-year retention time period the accredited laboratory may dispose of the retained samples and sample remnants in a manner consistent with federal, state, and local statutes; perishable samples and sample remnants may be disposed of more expeditiously, if done in accordance with acceptable laboratory procedures.

Commercial laboratories will be accredited to perform accepted industry and Customs-specified tests on merchandise by commodity groups that parallel the chapters and subheadings contained in the HTSUS. These commodity groups are set forth in the proposed rule. Laboratories may be accredited to perform testing in more than one of these commodity groups. Further, because certain tests require expensive, highly-specialized equipment or narrow technical expertise, and because any given commodity group may involve many different chemical, physical, or mechanical tests, Customs will consider, upon application, granting accreditation for subgroups of tests within a commodity group. Customs may expand the list of commodity groups for accreditation.

While Customs recognizes that many laboratory-accreditation systems perform accreditation by fields of testing, such as chemical, biological, mechanical, etc., Customs is not proposing to adopt this method of accreditation. Instead, Customs proposes to perform accreditation by commodity groups and subgroups because of Customs technical requirements and because many commodities require testing in more than one traditional field. Accordingly, laboratories seeking Customs accreditation should become aware of Customs testing requirements and seek accreditation in the multiple fields required to test a particular commodity for Customs purposes. For example, a metals-testing laboratory, in order to obtain Customs accreditation, will need to have the ability to perform both chemical and mechanical testing.

Specific testing methods for accreditation will be designated in Commodity Group Brochures available from Customs to ensure that the importer-client is aware of the appropriate test procedures for Customs purposes. Some of these testing methods may reference general industry standards, published by such organizations as the American Society for Testing and Materials (ASTM) and the American Petroleum Institute (API). It is recognized that different test methods may produce different results, and it is imperative for this program that Customs laboratories and Customs-accredited laboratories utilize the same test methods.

To become a Customs-accredited laboratory, individuals or commercial organizations must submit a letter of application to Customs requesting accreditation to perform testing for specific commodity groups, *e.g.*, textiles or metals. The technical and operational requirements for accreditation include having an appropriate facility properly equipped to perform the designated tests and staff capable of performing these tests. In addition to reviewing an applicant's overall physical plant and management system, specific review and testing will be conducted for each commodity group in which accreditation is sought. Customs evaluation of an applicant's professional abilities will be in accordance with the general criteria contained in ASTM E548: *Standard Guide for General Criteria Used for Evaluating Laboratory Competence*. Customs determination of an applicant's overall competence, independence, and character will be based on the information contained in the application submitted by the Laboratory and by conducting on-site inspections and background investigations.

Applicants will be required to retain certain records so that Customs can evaluate and verify all Customs-related work performed. The normal record-retention period under the Customs Regulations is five years (see, present § 151.13(i)). However, should litigation arise within the five-year record-retention-period of time that involves certain laboratory records, those records may be required by Customs to be maintained for a longer period of time. Should laboratory operations cease, the laboratory shall inform Customs where the records will be located. Failure to properly safeguard or account for analysis records and laboratory testing/gauger measurement results will make the accredited laboratory/approved

gauger subject to liquidated damages in the amount of the bond (discussed below) or, in the event of bankruptcy, render the surety liable for such damages.

Further, applicants will be required to obtain a bond executed in accordance with part 113 of the Customs Regulations (19 CFR part 113). The limits of liability on the bond will be established by the Customs port nearest to the applicant's main office in consultation with the Director.

Following Customs evaluation of a laboratory's overall competence to become an accredited laboratory, Customs will notify the laboratory in writing of its approval/nonselection; in the case of nonselection, specific reasons will be given. Laboratories receiving an adverse accreditation determination, and wishing to appeal the decision must file an appeal within 30 days to the Director. Within 30 days of receipt of the appeal, the Director will make a determination and notify the laboratory in writing. If the Director reaffirms the nonselection, again citing specific reasons, the applicant may then choose to either submit a new application to the Director after waiting 90 days from the date of the Director's last decision; or commence an action in the Court of International Trade within 60 days after issuance of Customs decision or order.

Once accredited, laboratories may apply to expand their accreditation at any time. Extensions of accreditation may be requested to add a new site and/or to increase the number of accredited commodity groups or subgroups at a previously accredited site. The procedure for extensions of accreditation is essentially the same as that for accreditation; certain initial processing steps, *e.g.*, background investigations and review of educational credentials, however, may not need to be repeated. The reaccreditation fee will be adjusted accordingly. Customs-accredited laboratories must undergo reaccreditation every three years. Regarding adverse reaccreditation determinations and any suspension/revocation/penalty decisions (discussed below), the appeal procedures discussed above will apply.

Once accredited, a laboratory must maintain its accreditation credentials by maintaining its overall physical plant and management system, as well as by remaining proficient at performing approved methods of analysis. In particular, accredited laboratories will be required to perform periodic analyses of check samples and to submit the results to Customs. Check samples are samples which have been distributed by Customs to test proficiency in a certain area of accreditation. The results must demonstrate that the laboratory has the continuing ability to produce a work product that assists in the proper classification and entry of imported merchandise.

In addition to establishing the requirements and procedures for laboratories to receive and maintain accreditation, the proposed regulations make provision for the suspension or revocation of such accreditation, and the imposition of monetary penalties not to exceed $ 100,000 in addition to the recovery of any loss of revenue that may have occurred. Customs will seek to recover lost revenue from accredited laboratories in cases where the laboratory intentionally falsified the analysis in collusion with the importer. Customs may assess monetary penalties on an accredited laboratory for failure to adhere to any of the regulatory requirements imposed on accredited commercial laboratories. Otherwise, Customs will not assess penalties nor seek to recover lost revenue merely because of a good-faith difference of professional opinion. Via a separate **Federal Register** document, Customs will publish guidelines governing penalties and any mitigating factors it will consider in imposing such penalties.

B. Proposed Amendments Concerning Approving Commercial Gaugers

The regulatory amendments proposed separately provide for the approval of commercial gaugers and the acceptance of reports from Customs-approved commercial gaugers. The commercial gauger-approval amendments generally parallel those concerning laboratory accreditation. Approval may extend to the performance of the functions of gauging and measuring merchandise. Customs approval extends only to the performance of such functions as are vested in, or delegated to, Customs. The imported products for which gauging approval may be obtained remains the same as those currently listed in the regulations. But Customs may expand the list of commodity groups for approval.

C. Proposed Amendments Concerning Reimbursable Fees for Accreditation/Approval and Periodic Reaccreditation/Reapproval

At the time of promulgating the Customs Modernization provisions of the Act, Congress agreed that in order for Customs to expand the Customs laboratory/gauger program the cost of the program should be recaptured through the imposition of reasonable fees. A Customs task force was formed to study the kind of fee structure that would be necessary for Customs to recoup the costs associated with the application process, travel costs, conducting ongoing background investigations, and maintaining the program. The fee structure adopted would have to cover the costs associated with implementing the expanded program.

The regulatory amendments proposed provide for the imposition of reasonable, *i.e.*, reimbursable, charges associated with the work required by Customs to accredit/approve and periodically reaccredit/reapprove commercial laboratories/gaugers. These charges necessarily will be variable, dependent on specific travel costs and the scope of particular accreditation/approval applications, and are designed merely to reimburse Customs for the actual costs of establishing and regulating the laboratory/gauger program. Accordingly, the fee structure is based on recovering those expenses which are variable, directly associated with specific travel and the conduct of background investigations, and those expenses which are fixed, based on administrative estimates generally applicable to recovering the technical and clerical support costs associated with the program.

Variable Costs

The variable portion of the accreditation-reaccreditation/approval-reapproval fee schedules will be based on the actual costs incurred for travel and associated with the scope of the background investigation. These charges are estimated to be approximately $ 1,000 per visit and $ 1,700 per background investigation. Whenever possible, Customs will endeavor to bundle these variable costs so that where travel or investigations costs apply to more than one laboratory or gauger, the costs will be fairly apportioned between applicants.

In the event of a dispute concerning the amount of assessment for travel costs and per diem charges relating to a scheduled inspection visit, the laboratory/gauger concerned may file an appeal within 30 days of the assessment with the Director. The appeal letter must specify which charges are disputed and give reasons for the dispute, accompanied by supporting documentation where appropriate.

Fixed Costs

The fixed portion of the accreditation-reaccreditation/ approval-reapproval fee schedules is based on administrative guidelines which estimate program

administrative support costs that do not consider salary or related costs. The primary accreditation/approval fee is meant to defray the following costs:

(1) Preparation and distribution of methods manuals (for laboratories only) and policies;

(2) Development and distribution of application packages;

(3) Set up and storage of company and/or branch files;

(4a) For laboratories, check samples and blind sample programs (costs of collection, documentation, and mailing of samples; costs of obtaining and storing samples; and costs of excess sample disposal);

(4b) For gaugers, development and application of proficiency testing; and

(5) Office supplies used to administer the program, *i.e.*, copier costs, envelopes, etc.

Customs is authorized to charge 15% of program costs for administrative overhead. *See*, 19 CFR 24.21. Based on the above referenced administrative estimates of program-support costs, Customs has determined that the following initial fee schedules for accrediting/reaccrediting laboratories and approving/reapproving gaugers are reasonable:

For Laboratories:	
General Accreditation Fee	$ 750
Additional Commodities Fee	200
Laboratory Reaccreditation Fee	375
Commodity Reaccreditation Fee	150
For Gaugers:	
General Approval Fee	400
Reapproval Fee	200

Laboratories/gaugers will be required to submit to the Director, fifty percent of the applicable accreditation/ general approval fee amount with their initial application for accreditation/approval, to cover preliminary processing costs. This pre-payment is nonrefundable. Before a laboratory/gauger will be designated by Customs as an accredited/ approved facility or can have its existing accreditation/approval extended to cover additional commodity testing it must have paid the applicable variable charges assessed and the balance of the fixed fee associated with the action within 30 days of notification to Customs, and have its laboratory/gauger bond on file. Then the applicant will receive accreditation/approval documentation and a notice of accreditation/approval or extension of existing accreditation/approval will be published in the **Federal Register** and Customs Bulletin.

Three years from the date of the initial accreditation/ approval, Customs, Account Services Division, will bill the licensee for reaccreditation/reapproval. There will be a 30-day billing period. If payment is not received by Customs within the 30 day billing period, revocation procedures will be initiated against all accreditations/ approvals granted the licensee.

Following the first year of operation, these initial fee schedules may be revised to capture expenses not reimbursed to Customs. If the fee schedules are revised, they will be published in the **Federal Register** and the Customs Bulletin.

Already Accredited/Approved Laboratories/Gaugers

Laboratories accredited and gaugers approved under Customs regulations prior to December 8, 1993, will not be required to apply for initial accreditation/approval. Until the time for reaccreditation/reapproval, however, those commercial laboratories/gaugers already accredited/approved must, however, conduct their business in a manner consistent with the administrative portions of the amended regulations, and will be required to pay applicable reaccreditation/ reapproval fees in the third year following the date these proposed regulations become final.

Customs-accredited laboratories may make their accreditation known to potential customers, but must accurately represent the tests for the commodity group(s) for which accreditation has been obtained. Such laboratories will be limited to the use of terms that appear in the Notice of Accreditation they receive at the time they are accredited. Parallel provisions will apply to Customs-approved gaugers.

The regulations currently implementing the examination of merchandise provisions of 19 U.S.C. 1499 are found in part 151 of the Customs Regulations (19 CFR part 151); § 151.13 currently pertains to both commercial laboratories and gaugers. Other Customs regulatory provisions referencing part 151 are found in part 113 (19 CFR part 113). In this document Customs proposes to amend parts 113 and 151 of the Customs Regulations, as discussed below, to implement the Customs Modernization provisions pertaining to laboratory accreditations/ gauger approvals (19 U.S.C. 1499(b)), as discussed above.

In sum, it is proposed to revise two references in § 113.67 of the Customs Regulations (19 CFR 113.67) to carry the proper cross references for the commercial laboratory or gauger provisions that are redesignated as proposed in this document. In part 151, it is proposed to provide for commercial laboratories and gaugers in separate sections, so that each program can be more easily administered. Accordingly, § 151.12, currently reserved, will be amended to set forth the accreditation requirements and procedures applicable to commercial laboratories, and § 151.13 will be amended to set forth the approval requirements and procedures applicable to commercial gaugers. Section 151.14 will be revised to remove reference to the product characteristic table currently contained in § 151.13(a)(2), as these analysis methods will be contained in Commodity Group Brochures.

Discussion of Proposed Changes to Regulations

It is proposed to utilize § 151.12—currently reserved—to set forth the provisions concerning the accreditation of commercial laboratories. Section 151.12 will contain 11 paragraphs ((a) through (k)) in a new question and answer format designed to facilitate an understanding of how the new laboratory-accreditation program will operate.

Proposed New Section 151.12

Paragraph (a) will contain the definitions of three terms or phrases that will be used throughout the remaining paragraphs of § 151.12.

Paragraph (b) will pose the question ''What is a ''Customs-accredited laboratory''?'' and describes the eligibility requirements for commercial laboratories. The paragraph explains that those laboratories that can demonstrate the capability to perform approved methods of analysis used to determine the admissibility, quantity, composition, or characteristics for certain tariff commodity groups can be accredited by Customs to perform such tests for Customs purposes.

Paragraph (c) will pose the question ''What are the obligations of a Customs-accredited laboratory?'' and delineates the six requirements commercial laboratories must agree to before they can be accredited by Customs.

Paragraph (d) will pose the question ''What are the commodity groups for which accreditation may be sought?'' and contains the list of commodity groups for which accreditation is available without special permission from the Director. The list of commodity groups, although similar to the provisions currently at § 151.13(a)(2), is expanded from two HTSUS chapters to include more than 40 HTSUS chapters to reflect the scope of imported merchandise for which Customs is responsible for testing.

Paragraph (e) will pose the question ''What are the approved methods of

analysis?'' and provides that the approved methods of testing will be published in Customs Commodity Group Brochures. The brochures will specify the particular testing procedures required, unless written permission from the Director is given to use an alternate method. Procedures required by the Director may reference applicable general industry standards, published by such organizations as the American Society for Testing and Materials (ASTM) and the American Petroleum Institute (API).

Paragraph (f) will pose the question ''How would a commercial laboratory become a Customs-accredited laboratory?'' and explains the essential requirements that prospective commercial laboratories must respond to when applying for accreditation: (1) What the application should contain, (2) where an application should be sent, and (3) how the application will be reviewed. Further, this paragraph will describe the criteria by which Customs will appraise each applicant's overall physical plant and management system to ascertain the laboratory's ability to manage and control the acquisition of technical data associated with the accreditation sought and describe Customs determination of an applicant's competence.

Paragraph (g) will pose the question ''How will an applicant be notified concerning accreditation?'' and describes the procedures Customs will follow when notifying applicants concerning the disposition of their applicationor request for extension of accreditation. The paragraph also describes the grounds for nonselection, based on application, background investigation, or capability matters, and the appeal procedures applicants must follow to appeal adverse determinations concerning their application or request for extension of accreditation.

Paragraph (h) will pose the question ''What are the accreditation/reaccreditation fee requirements?'' and provides that any fixed fee changes will be published in the Customs Bulletin and the **Federal Register**; the fees for the first year are as discussed above.

Paragraph (i) will pose the question ''Can existing Customs-accredited laboratories continue to operate?'' and provides that while such laboratories, accredited prior to December 8, 1993, will retain that accreditation, they must, however, conduct their business in a manner consistent with the administrative portions of the new regulations. This paragraph also provides that these existing facilities will have their status reevaluated in the third year following the effective date of this regulation. At the time of reaccreditation, these laboratories must meet the requirements of the regulations and pay the applicable fees; a failure to meet these requirements will result in revocation or suspension of the accreditation.

Paragraph (j) will pose the question ''How will Customs-accredited laboratories operate?'' and describes (1) the testing of samples, (2) the acceptance of reports by Customs, (3) recordkeeping requirements, (4) limited representation of Customs accreditation, and (5) a prohibition against accredited laboratories subcontracting Customs-related analyses work. The testing of samples procedures provide that importers may have samples of their merchandise tested by Customs-accredited laboratories, and that the commercial laboratory designated to test the sample is required to test only one part of the sample that will be split into two parts under Customs supervision, reserving the second part for a period of one year. Further, these provisions provide that Customs and any other Federal agency reserve the right to independently challenge the results of such reports.

Lastly, paragraph (k) will pose the question ''How can a laboratory have its accreditation suspended or revoked or be required to pay a monetary penalty?'' and explains (1) how the laboratory's accreditation may be revoked or suspended or how the laboratory may be assessed a monetary penalty in lieu of, or in addition to, suspension or revocation of accreditation, (2) what are the grounds for suspension, revocation, or assessment of a monetary penalty, (3) the notice requirements Customs will follow, (4) the appeal rights of the laboratory, (5) publication requirements, and (6) penalty provisions. Regarding the appeal of a revocation, suspension, or penalty decision, these provisions parallel the appeal provisions regarding nonselection. Regarding the monetary penalty provisions, these can be in addition to or in lieu of an order regarding suspension or revocation of accreditation. No penalty may exceed $100,000.

Proposed Amended Section § 151.13

It is further proposed to amend the provisions of § 151.13, which currently contains provisions pertaining to both commercial gaugers and laboratories, to make its provisions exclusive to commercial gaugers. Section 151.13 will contain 9 paragraphs ((a) through (i)) in a similar question and answer format designed to facilitate how the new gauger-approval program will operate.

Paragraph (a) will pose the question ''What is a 'Customs-approved gauger'?'' and describes the eligibility requirements for commercial gaugers. The paragraph explains that those gaugers that can demonstrate the capability to perform the approved gauging and measurement procedures for certain tariff commodity groups listed in the section can be approved by Customs to perform such procedures for Customs purposes.

Paragraph (b) will pose the question ''What are the obligations of a Customs-approved gauger?'' and delineates the six requirements commercial gaugers must agree to before they can be approved by Customs.

Paragraph (c) will pose the question ''What are the approved gauging and measurement procedures?'' and provides that the approved gauging and measurement procedures will be published in Customs Commodity Group Brochures. The brochures will specify the particular measurements and procedures required, unless written permission from the Director is given to use an alternate method. Procedures required by the Director may reference applicable general industry standards, published by such organizations as the American Society for Testing and Materials (ASTM) and the American Petroleum Institute (API).

Paragraph (d) will pose the question ''How would a commercial gauger become a Customs-approved gauger?'' and explains the essential requirements that prospective commercial gaugers must meet when applying for approval. These provisions substantially mirror the requirements discussed above for proposed § 151.12(f).

Paragraph (e) will pose the question of ''How will an applicant be notified concerning approval?'' and describes the procedures Customs will follow when notifying applicants concerning the disposition of their application or request for extension of approval. The paragraph also describes the grounds for nonselection, based on application, background investigation, or capability matters, and the appeal procedures applicants must follow if their application or request is disapproved. These provisions substantially mirror the requirements discussed above for proposed § 151.12(g).

Paragraph (f) will pose the question ''What are the approval/reapproval fee requirements?'' and provides that any fixed fee changes will be published in the Customs Bulletin and the **Federal Register**. These provisions substantially mirror the requirements discussed above for proposed § 151.12(h).

Paragraph (g) will pose the question ''Can existing Customs-approved gaugers continue to operate?'' and provides that while such gaugers, approved prior to December 8, 1993, will retain that approval, they must, however, conduct their business in a manner consistent with the administrative portions of the new regulations. Other provisions in this paragraph applicable to gaugers substantially mirror the requirements discussed above for laboratories at proposed § 151.12(i).

Paragraph (h) will pose the question ''How will Customs-approved gaugers operate?'' and describes (1) the acceptance of reports by Customs, (2) recordkeeping requirements, (3) limited representation of Customs approval requirements, and (4) a prohibition against approved gaugers subcontracting Customs-related work. These provisions substantially mirror the requirements discussed above for proposed § 151.12(j).

Paragraph (i) will pose the question ''How can a gauger have its approval suspended or revoked or be required to pay a monetary penalty?'' and explains (1) how the gauger's approval may be revoked or suspended or how the gauger may be assessed a monetary penalty in lieu of, or in addition to, suspension or revocation of approval, (2) what are the grounds for suspension, revocation, or assessment of a monetary penalty, (3) the notice requirements Customs will follow, (4) the appeal rights of the gauger, (5) publication requirements, and (6) penalty provisions. These provisions substantially mirror the requirements discussed above for proposed § 151.12(k).

Other Regulatory Amendments Proposed

Section 151.14 will be revised to remove a reference to the table of product characteristics found at § 151.13(a)(2) because product characteristics will no longer be set forth in the regulations, but will be contained in specific Commodity Group Brochures.

In § 113.67, two references to current § 151.13 will be revised to correspond to the changes proposed to §§ 151.13 and 151.14.

Comments

Before adopting these proposed regulations as a final rule, consideration will be given to any written comments timely submitted to Customs. Comments submitted will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552), § 1.4 of the Treasury Department Regulations (31 CFR 1.4), and § 103.11(b) of the Customs Regulations (19 CFR 103.11(b)), on regular business days between the hours of 9 a.m. and 4:30 p.m. at the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, Suite 3000, 1300 Pennsylvania Avenue, NW., Washington, DC.

The Regulatory Flexibility Act, and Executive Order 12866

Because the number of accredited laboratories and approved gaugers is expected to be small, and such accreditation and approval will confer a benefit on the importing public, pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that, if adopted, the proposed amendments will not have a significant adverse economic impact on a substantial number of small entities. Accordingly, they are not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604. This document does not meet the criteria for a ''significant regulatory action'' as specified in E.O. 12866.

Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget (OMB) for review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507). Comments on the collection of information should be sent to OMB, Attention: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503. A copy should also be sent to the Regulations Branch at the address set forth previously. Comments should be submitted within the time frame that comments are due regarding the substance of the proposal.

Comments are invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

(b) The accuracy of the agency's estimate of the information collection burden;

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

(d) Ways to minimize the information collection burden on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start up costs and costs of operations, maintenance, and purchase of services to provide information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

The collections of information in these proposed regulations are in §§ 151.12(e) and 151.13(c). The information requested is necessary so that Customs can determine whether those laboratories/gaugers seeking accreditation/approval to test/measure imported merchandise are competent to receive or maintain such credentials. The likely respondents are individuals and commercial organizations who either analyze merchandise or measure, gauge, or sample merchandise.

Estimated total annual reporting and/or recordkeeping burden: 50 hours.

Estimated average annual burden per respondent/ recordkeeper: 5 hours.

Estimated number of respondents and/or recordkeepers: 10.

Estimated annual frequency of responses: 1.

Part 178 of the Customs Regulations (19 CFR part 178), which lists the information collections contained in the regulations and control numbers assigned by OMB, would be amended accordingly if this proposal is adopted.

Drafting Information

The principal author of this document was Gregory R. Vilders, Attorney, Regulations Branch, Office of Regulations and Rulings. However, personnel from other offices participated in its development.

List of Subjects

19 CFR Part 113

Bonds, Customs duties and inspection, Exports, Freight, Imports, Reporting and recordkeeping requirements.

19 CFR Part 151

Customs duties and inspection, Examination, Fees assessment, Gaugers, Imports, Laboratories, Licensing, Penalties, Reporting and recordkeeping requirements, Sampling and testing.

Amendments to the Regulations

For the reasons stated above, it is proposed to amend parts 113 and 151 of the Customs Regulations (19 CFR parts 113 and 151) as set forth below:

PART 113—CUSTOMS BONDS

1. The general authority citation for part 113 continues to read as follows:

Authority: 19 U.S.C. 66, 1623, 1624.

* * * * *

§ 113.67 [Amended]

2. In § 113.67, paragraph (a)(1)(ii) is amended by removing the words ''terms of the Commercial Gauger Agreement [see § 151.13(b)(9)] and by the''; and by removing the citations ''§§ 151.13 and 151.14'' and adding, in their place, the citation ''§ 151.13(b)''.

§ 113.67 [Amended]

3. In § 113.67, paragraph (b)(1)(ii) is amended by removing the words ''terms of the Commercial Laboratory Agreement [see § 151.13(b)(9)] and by the''; and by removing the citation ''§ 151.13'' and adding, in its place, the citation ''§ 151.12(c)''.

PART 151—EXAMINATION, SAMPLING, AND TESTING OF MERCHANDISE

1. The general authority citation for part 151 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Notes 20 and 21, Harmonized Tariff Schedule of the United States (HTSUS)), 1624. Subpart A also issued under 19 U.S.C. 1499.

* * * * *

2. In subpart A, § 151.12 is added to read as follows:

§ 151.12 Accreditation of commercial laboratories.

This section sets forth the requirements for commercial laboratories to obtain accreditation by Customs for the testing of certain commodities, and explains the operation of such accredited laboratories. This section also provides for the imposition of accreditation and reaccreditation fees, sets forth grounds for the suspension and revocation of accreditation, and provides for the imposition of a monetary penalty for an accredited commercial laboratory that fails to adhere to the provisions of this section.

(a) *Definitions.* For purposes of this section, the following words and phrases have the meanings indicated:

Analysis record. An ''analysis record'' is a compilation of all documents which have been generated during the course of analysis of a particular sample which, under normal circumstances, culminates in the issuance of a laboratory report. An analysis record may include, both in paper and electronic-form, such documents as work sheets, notes, associated spectra (both spectra of the actual product and any standard spectra used for comparison), photographs and microphotographs, and the laboratory report.

Check samples. ''Check samples'' are samples which have been distributed by Customs to accredited laboratories to test their proficiency in a certain area of accreditation.

Commodity Group Brochure. A ''Commodity Group Brochure'' is a booklet which contains a listing of the laboratory methods and application procedures which commercial laboratories are required to have the capability to perform to qualify for Customs-accreditation in a particular commodity group. The brochures will specify the particular laboratory testing procedures required for particular commodity groups, unless written permission from the Director is given to use an alternate method. Procedures required by the Director may reference applicable general industry testing standards, published by such organizations as the American Society for Testing and Materials (ASTM) and the American Petroleum Institute (API). Commodity Group Brochures are available from the U.S. Customs Service, Attention: Director, Laboratories & Scientific Services, Washington, D.C. 20229.

Director. In §§ 151.12 and 151.13, references to the ''Director'' mean the Director, Laboratories & Scientific Services, located in Washington, DC.

(b) *What is a ''Customs-accredited laboratory''*? ''Commercial laboratories'' are individuals and commercial organizations that analyze merchandise, *i.e.*, determine its composition and/or characteristics, through laboratory analysis. A ''Customs-accredited laboratory'' is a commercial laboratory, within the United States, that has demonstrated, to the satisfaction of the Director, pursuant to this section, the capability to perform analysis of certain commodities to determine elements relating to the admissibility, quantity, composition, or characteristics of imported merchandise. Customs accreditation extends only to the performance of such functions as are vested in, or delegated to, Customs.

(c) *What are the obligations of a Customs-accredited laboratory*? A commercial laboratory accredited by Customs agrees to the following conditions and requirements:

(1) To comply with the requirements of part 151, Customs Regulations (19 CFR part 151), and to conduct professional services in conformance with approved standards and procedures, including procedures which may be required by the Commissioner of Customs or the Director;

(2) To have no interest in or other connection with any business or other activity which might affect the unbiased performance of duties as a Customs-accredited laboratory. It is understood that this does not prohibit acceptance of the usual fees for professional services;

(3) To maintain the ability, *i.e.*, the instrumentation, equipment, qualified staff, facilities, etc., to perform the services for which the laboratory is accredited, and allow the Director to evaluate that ability on a periodic basis by such means as on-site inspections, demonstrations of analysis procedures, reviews of submitted records, and proficiency testing through check samples;

(4) To retain those laboratory records beyond the five-year record-retention period specified by Customs as necessary to address matters concerned in pending litigation, and, should laboratory operations or accreditation cease, to contact Customs immediately regarding the disposition of records retained;

(5) To promptly investigate any circumstance which might affect the accuracy of work performed as an accredited laboratory, to correct the situation immediately, and to notify both the port director and the Director of such matters, their consequences, and any corrective action taken or that needs to be taken; and

(6) To immediately notify both the port director and the Director of any attempt to impede, influence, or coerce laboratory personnel in the performance of their duties, or of any decision to terminate laboratory operations or accredited status. Further, within 5 days of any changes involving legal name, address, ownership, parent-subsidiary relationships, bond, other offices or sites, managerial or professional or executive staff, approved signatories, facilities, instruments, or equipment, etc., to notify the Director by certified mail.

(d) *What are the commodity groups for which accreditation may be sought?* (1) Commercial laboratories may apply for accreditation to perform tests for any of the commodity groups listed in paragraph (d)(2) of this section. Applicable test procedures are listed in Commodity Group Brochures. Application may be made for accreditation in more than one commodity group. At the discretion of the Director accreditation may be granted for subgroups of tests within a commodity group or for commodity groups not specifically enumerated. Once accredited, a Customs-accredited laboratory may apply at any time to expand its accreditation, to add new testing sites, or increase the number of commodity groups or subgroups accredited.

(2) The commodity groups for which accreditation may be sought without

special permission from the Director are:

(i) Dairy and Chocolate Products entered under Chapters 4, 18, and 21 of the Harmonized Tariff Schedule of the United States (HTSUS);

(ii) Food and Food Products entered under Chapters 7–12, 15, 16, and 19–21, HTSUS;

(iii) Botanical Identification—materials and products entered under Chapter 14 and Section IX, HTSUS;

(iv) Sugar, Sugar Syrups, and Confectionery products entered under Chapter 17, HTSUS;

(v) Spirituous Beverages entered under Chapter 22, HTSUS;

(vi) Inorganic Materials, including Inorganic Compounds and Ores, entered under Chapters 26, 28, 31, and 36–38, HTSUS;

(vii) Petroleum and Petroleum Products entered under Chapters 27 and 29, HTSUS;

(viii) Organic Materials, including Intermediates and Pharmaceuticals, entered under Chapters 29, 30, 34, 35, and 38, HTSUS;

(ix) Building Stone, Ceramics, Glassware, and Other Mineral Substances entered under Chapter 25 and Section XIII, HTSUS;

(x) Rubber, Plastics, Polymers, Pigments and Paints entered under Chapter 32 and Section VII, HTSUS;

(xi) Essential Oils and Perfumes entered under Chapter 33, HTSUS;

(xii) Leather and Articles of Leather entered under Chapters 41 and 42, HTSUS;

(xiii) Wood and Articles of Wood entered under Chapters 44 and 46, HTSUS;

(xiv) Paper and Paper Products entered under Section X, HTSUS;

(xv) Textiles and Related Products, including footwear and hats, entered under Sections XI and XII, HTSUS; and,

(xvi) Metals and Alloys entered under Section XV, HTSUS.

(e) *What are the approved methods of analysis?* Customs-accredited laboratories shall follow the general or specific testing methods set forth in Commodity Group Brochures in the testing of designated commodities, unless the Director gives written permission to use an alternate method. Alternative methods will be considered and approved on a case-by-case basis.

(f) *How would a commercial laboratory become a Customs-accredited laboratory?*—(1) *What should an application contain?* An application for Customs-accreditation shall contain the following information:

(i) The applicant's legal name and the addresses of its principal place of business and any other facility out of which it will work;

(ii) Detailed statements of ownership and any partnerships, parent-subsidiary relationships, or affiliations with any other domestic or foreign organizations, including, but not limited to, importers, other commercial laboratories, producers, refiners, Customs brokers, and carriers;

(iii) A statement of financial condition;

(iv) If a corporation, a copy of the articles of incorporation and the names of all officers and directors;

(v) The names, titles, and qualifications of each person who will be authorized to sign or approve analysis reports on behalf of the commercial laboratory;

(vi) A complete description of the applicant's facilities, instruments, and equipment;

(vii) Express agreement that if notified by Customs of pending accreditation to execute a bond in accordance with part 113, Customs Regulations (19 CFR part 113), and submit it to the Customs port nearest to the applicant's main office. (The limits of liability on the bond will be established by the Customs port in consultation with the Director. In order to retain Customs accreditation, the laboratory must maintain an adequate bond, as determined by the port director);

(viii) A listing of each commodity group for which accreditation is being sought and, if procedures are being submitted for approval which are not specifically provided for in a Commodity Group Brochure, a listing of such procedures;

(ix) A statement for each commodity group for which accreditation is being sought, providing:

(A) That all tests on all commodities in a named group can be performed, or

(B) That all tests on the commodities in a group except those indicated can be performed; or,

(C) That the listed procedures which are not specifically provided for in the Commodity Group Brochure are being submitted for approval for use;

(x) Express agreement to be bound by the obligations contained in paragraph (c) of this section; and,

(xi) A nonrefundable pre-payment equal to 50 percent of the fixed accreditation fee, as published in the **Federal Register** and Customs Bulletin, to cover preliminary processing costs. Further, the applicant agrees to pay Customs within 30 days of notification the associated charges assessed for accreditation, *i.e.*, those charges for actual travel and background investigation costs, and the balance of the fixed accreditation fee.

(2) *Where should an application be sent?* A commercial laboratory seeking accreditation or an extension of an existing accreditation shall send a letter of application to the U.S. Customs Service, Attention: Director, Laboratories & Scientific Services, Washington, D.C. 20229.

(3) *How will an application be reviewed?*

(i) *Physical plant and management system.* The facility of the applicant will be inspected to ensure that it is properly equipped to perform the necessary tests and that staff personnel are capable of performing required tests. Customs evaluation of an applicant's professional abilities will be in accordance with the general criteria contained in the American Society for Testing and Materials (ASTM) E548: *Standard Guide for General Criteria Used for Evaluating Laboratory Competence.* This review will ascertain the laboratory's ability to manage and control the acquisition of technical data. The review will be performed at the time of initial application and upon reaccreditation at three-year intervals.

(ii) *Ability to perform tests on specified commodity groups.* For each commodity group applied for, the applicant will undergo a separate review and testing. The specific accreditation will be based on the laboratory's ability to perform the tests required for that commodity group. This will include the qualifications of the technical personnel in this field and the instrument availability required by the test methods. Maintenance of accreditation will be on-going and will require the submission of test results on periodic check samples. The criteria for acceptance will be based on the laboratory's ability to produce a work product that assists in the proper classification and entry of imported merchandise.

(iii) *Determination of competence.* The Director shall determine the applicant's overall competence, independence, and character by conducting on-site inspections, which will include demonstrations by the applicant of analysis procedures; reviewing analysis records submitted; conducting proficiency testing through check samples; and conducting background investigations.

(iv) *Evaluation of technical and operational requirements.* Customs shall determine whether the following technical and operational requirements are met:

(A) *Equipment.* The laboratory shall be equipped with all of the instruments and equipment needed to conduct the tests for which it is accredited. The

laboratory shall ensure that all instruments and equipment are properly calibrated, checked, and maintained.

(B) *Facilities.* The laboratory shall have, at a minimum, adequate space, lighting, and environmental controls to ensure compliance with the conditions prescribed for appropriate test procedures.

(C) *Personnel.* The laboratory shall be staffed with persons having the necessary education, training, knowledge, and experience for their assigned functions (*e.g.*, maintaining equipment, calibrating instruments, performing laboratory analyses, evaluating analytical results, and signing analysis reports on behalf of the laboratory). In general, each technical staff member should hold, at a minimum, a bachelor's degree in science or have two years related experience in an analytical laboratory.

(g) *How will an applicant be notified concerning accreditation?*—(1) *Notice of approval or nonselection.* When Customs evaluation of a laboratory's credentials is completed, the Director shall notify the laboratory in writing of its preliminary approval or nonselection. (Final approval determinations will not be made until the applicant has satisfied all bond requirements and made payment on all assessed charges and the balance of the applicable accreditations fee). Notices of nonselection will state the reasons for the determination. All notices of accreditation, reaccreditation, or extension of existing accreditations will be published in the **Federal Register** and Customs Bulletin.

(2) *Grounds for nonselection.* The Director may deny a laboratory's application for any of the following reasons:

(i) The application contains false or misleading information concerning a material fact;

(ii) The laboratory, a principal of the laboratory, or a person the Director determines is exercising substantial ownership or control over such laboratory or officer, has been indicted for, convicted of, or committed acts which, under United States federal or state law, would constitute any felony or misdemeanor involving misstatements, fraud, theft-related offenses or any other violation which would reflect adversely on the business integrity of the applicant;

(iii) A determination is made that the laboratory-applicant does not possess the capability or have adequate facilities and management to perform the approved methods of analysis for Customs purposes;

(iv) A determination is made that the laboratory has submitted false reports or statements concerning the sampling of merchandise, or that the applicant was subject to sanctions by state, local, or professional administrative bodies for such conduct;

(v) Nonpayment of assessed charges and the balance of the fixed accreditation fee; or

(vi) Failure to execute a bond in accordance with part 113 of this chapter.

(3) *Appeal of adverse determinations.* Laboratories receiving an adverse accreditation determination and wishing to appeal the determination must file an appeal within 30 days to the Director. Within 30 days of receipt of the appeal, the Director shall make a final determination regarding the appeal and notify the laboratory in writing. If the Director reaffirms the nonselection, again citing specific reasons, then the applicant may choose to either:

(i) Submit a new application to the Director after waiting 90 days from the date of the Director's last decision; or

(ii) File an action with the Court of International Trade, pursuant to chapter 169 of title 28, United States Code, within 60 days after the issuance of the Director's final decision.

(h) *What are the accreditation/reaccreditation fee requirements?*

(1) *In general.* A fixed fee, representing Customs administrative overhead expense, will be assessed for each application for accreditation or reaccreditation. In addition, associated assessments, representing the actual costs associated with travel and per diem of Customs employees related to verification of application criteria and background investigations will be charged. The combination of the fixed fee and associated assessments represent reimbursement to Customs for costs related to accreditation and reaccreditation. The fixed fee will be published in the Customs Bulletin and the **Federal Register**. Based on a review of the actual costs associated with the program, the fixed fee may be adjusted periodically; any changes will be published in the Customs Bulletin and the **Federal Register**.

(i) *Accreditation fees.* A nonrefundable pre-payment equal to 50 percent of the fixed accreditation fee to cover preliminary processing costs must accompany each application for accreditation. Before a laboratory will be accredited, it must remit to Customs, Account Services Division, within the 30 day billing period the associated charges assessed for the accreditation and the balance of the fixed accreditation fee.

(ii) *Reaccreditation fees.* Before a laboratory will be reaccredited, it must submit to Customs, Account Services Division, within the 30 day billing period the fixed reaccreditation fee.

(2) *Disputes.* In the event a laboratory disputes the charges assessed for travel and per diem costs associated with scheduled inspection visits, it may file an appeal within 30 days of the date of the assessment with the Director. The appeal letter must specify which charges are in dispute and provide such supporting documentation as may be available for each allegation. The Director shall make findings of fact concerning the merits of an appeal and communicate the agency decision to the laboratory in writing within 30 days of the date of the appeal.

(i) *Can existing Customs-accredited laboratories continue to operate?* Commercial laboratories accredited by the Director prior to December 8, 1993, will retain that accreditation under these regulations provided they conduct their business in a manner consistent with the administrative portions of this section. This paragraph does not pertain to any laboratory which has had its accreditation suspended or revoked. Laboratories which have had their accreditations continued under this section will have their status reevaluated in the third year following the effective date of this regulation. At the time of reaccreditation, these laboratories must meet the requirements of this section and remit to Customs, Account Services Division, within the 30 day billing period the fixed reaccreditation fee. Failure to meet these requirements will result in revocation or suspension of the accreditation.

(j) *How will Customs-accredited laboratories operate?*

(1)(i) *Samples for testing.* Upon request by the importer of record of merchandise, the port director will release a representative sample of the merchandise for testing by a Customs-accredited laboratory at the expense of the importer. Under Customs supervision, the sample shall be split into two essentially equal parts and given to the Customs-accredited laboratory. One portion of the sample may be used by the Customs-accredited laboratory for its testing. The other portion shall be retained by the laboratory, under appropriate storage conditions, for Customs use, as necessary, unless Customs requires other specific procedures. Upon request, the sample portion reserved for Customs purposes shall be surrendered to Customs. Samples reserved for Customs and sample remnants from any testing shall be retained by the accredited

laboratory for a period of one year from the date of the laboratory's final analysis report, unless other instructions are issued in writing by Customs. At the end of the one-year retention time period the accredited laboratory may dispose of the retained samples and sample remnants in a manner consistent with federal, state, and local statutes; perishable samples and sample remnants may be disposed of more expeditiously, if done in accordance with acceptable laboratory procedures.

(2) *Contents of reports.* The testing results from a Customs-accredited laboratory that are submitted by an importer of record with respect to merchandise in an entry shall, in the absence of testing conducted by Customs laboratories, be accepted by Customs provided that the importer of record certifies that the sample tested was taken from the merchandise in the entry and the report establishes elements relating to the admissibility, quantity, composition, or characteristics of the merchandise entered, as required by law. The data must be obtained using methods approved by the Director. Nothing in these regulations shall preclude Customs from sampling and testing merchandise from a shipment which has been sampled and tested by a Customs-accredited laboratory at the request of an importer. In cases where a shipment has been analyzed by both Customs and a Customs-accredited laboratory, all Customs actions will be based upon the analysis provided by the Customs laboratory, unless the Director advises otherwise. If a Customs laboratory performs a test of merchandise, it shall release the results of its test to the importer of record or its agent upon request unless it is proprietary to the holder of a copyright or patent, or developed by Customs for enforcement purposes.

(3) *Recordkeeping requirements.* Customs-accredited laboratories shall maintain records of the type normally kept in the ordinary course of business in accordance with the provisions of this chapter and any other applicable provision of law, and make them available during normal business hours for Customs inspection. In addition, these laboratories shall maintain all records necessary to permit the evaluation and verification of all Customs-related work, including, as appropriate, those described below. All records shall be maintained for five years, unless the laboratory is notified in writing by Customs that a longer retention time is necessary for particular records. Electronic data storage and transmission may be approved by Customs.

(i) *Sample records.* Records for each sample tested for Customs purposes must be readily accessible and contain the following information:

(A) A unique identifying number;

(B) The date when the sample was received or taken;

(C) The identity of the commodity (*e.g.*, crude oil);

(D) The name of the client;

(E) The source of the sample (*e.g.*, name of vessel, flight number of airline, name of individual taking the sample); and,

(F) If available, the Customs entry date, entry number, and port of entry and the names of the importer, exporter, manufacturer, and country-of-origin.

(ii) *Major equipment records.* Records for each major piece of equipment or instrument (including analytical balances) used in Customs-related work must identify the name and type of instrument, the manufacturer's name, the instrument's model and any serial numbers, and the occurrence of all servicing performed on the equipment or instrument, to include recalibration and any repair work, identifying who performed the service and when.

(iii) *Records of analytical procedures.* The Customs-accredited laboratory must maintain complete and up-to-date copies of all approved analytical procedures, calibration methods, etc., and must document the procedures each staff member is authorized to perform. These procedures must be readily available to appropriate staff.

(iv) *Laboratory analysis records.* The Customs-accredited laboratory must identify each analysis by sample record number (see paragraph (j)(3)(i) of this section) and must maintain all information or data (such as sample weights, temperatures, references to filed spectra, etc.) associated with each Customs-related laboratory analysis. Each analysis record must be dated and initialed or signed by the staff member(s) who did the work.

(v) *Laboratory analysis reports.* Each laboratory analysis report submitted to Customs must include:

(A) The name and address of the Customs-accredited laboratory;

(B) A description and identification of the sample, including its unique identifying number;

(C) The designations of each analysis procedure used;

(D) The analysis report itself (*i.e.*, the pertinent characteristics of the sample);

(E) The date of the report; and

(F) The signature of the person accepting technical responsibility for the analysis report (*i.e.*, an approved signatory).

(4) *Representation of Customs-accredited status.* Commercial laboratories accredited by Customs shall limit statements or wording regarding their accreditation to an accurate description of the tests for the commodity group(s) for which accreditation has been obtained. Use of terms other than those appearing in the notice of approval (see paragraph (f) of this section) is prohibited.

(5) *Subcontracting prohibited.* Customs-accredited laboratories shall not subcontract Customs-related analysis work.

(k) *How can a laboratory have its accreditation suspended or revoked or be required to pay a monetary penalty?*

(1) *Grounds for suspension, revocation, or monetary penalty.* (i) *General.* A laboratory's accreditation may be revoked or suspended or a laboratory may be assessed a monetary penalty at any time by the Director.

(ii) *Grounds for suspension, revocation, or assessment of a monetary penalty.* A laboratory's accreditation may be suspended or revoked, or a monetary penalty may be assessed because:

(A) The selection was obtained through fraud or the misstatement of a material fact by the laboratory;

(B) The laboratory, or other person the port director determines is exercising substantial ownership or control over the laboratory operation or corporate officer, is indicted for, convicted of, or has committed acts which would constitute any felony or misdemeanor under United States Federal or State law. In the absence of an indictment, conviction, or other legal process, a port director must have probable cause to believe the proscribed acts occurred;

(C) Staff laboratory personnel refuse or otherwise fail to follow any proper order of a Customs officer or any Customs order, rule, or regulation relative to continued licensing as a Customs-accredited laboratory;

(D) The laboratory fails to operate in accordance with the obligations of paragraph (c) of this section;

(E) A determination is made that the laboratory is no longer technically or operationally proficient at performing the approved methods of analysis for Customs purposes;

(F) The laboratory fails to remit to Customs, the Accounts Services Division, within the 30 day billing period the associated charges assessed for the accreditation and the balance of the fixed accreditation fee;

(G) The laboratory fails to maintain its bond; or

(H) The laboratory fails to remit to Customs, the Accounts Services Division, within the 30 day billing period the fixed reaccreditation fee.

(iii) *Assessment of monetary penalties.* The assessment of a monetary penalty under this section, may be in lieu of, or in addition to, a suspension or revocation of accreditation under this section. The monetary penalty may not exceed $100,000 per violation and shall be assessed and mitigated pursuant to published guidelines. Any monetary penalty under this section can be in addition to the recovery of any loss of revenue or liquidated damages assessed under the laboratory's Customs bond.

(2) *Notice.* When a decision to suspend, revoke, and/or to assess a monetary penalty is contemplated, Customs shall immediately notify the laboratory in writing of the proposed action. The notice of proposed action shall contain a description of the grounds for the proposed revocation, suspension, and/or assessment of a monetary penalty action, and advise the laboratory of the procedures for filing appeals.

(3) *Appeal procedures.* A Customs-accredited laboratory receiving a notice of suspension or revocation of accreditation, and/or of assessment of a monetary penalty, and wishing to appeal the decision shall follow the appeal procedures set forth in paragraph (g)(3) of this section. An appeal to the Director may contain an acceptance of responsibility and may also provide extenuating circumstances and/or rebuttal evidence. Further, the appeal may ask for a meeting with the Director or his designee to discuss proposed actions. Should the laboratory fail to file an appeal within the required time period, the Director shall take actions to implement the proposed suspension or revocation and/or to collect the monetary penalty assessed in the notice.

(4) *Publication.* All final notices of suspension or revocation of a laboratory's accreditation and/or assessment of a monetary penalty will be published in the **Federal Register** and Customs Bulletin, giving the effective date, duration, and scope of each action.

3. Section 151.13 is revised to read as follows:

§ 151.13 Approval of commercial gaugers.

This section sets forth the requirements for commercial gaugers to obtain approval by Customs for the measuring of certain merchandise, and explains the operation of such approved gaugers. This section also provides for the imposition of approval and reapproval fees, sets forth grounds for the suspension or revocation of approval, and provides for the imposition of a monetary penalty for an approved commercial gauger that fails to adhere to the provisions of this section.

(a) *What is a ''Customs-approved gauger''?* ''Commercial gaugers'' are individuals and commercial organizations that measure, gauge, or sample merchandise (usually merchandise in bulk form) and who deal mainly with petroleum, petroleum products, and bulk chemicals. A ''Customs-approved gauger'' is a commercial concern, within the United States, that has demonstrated, to the satisfaction of the Director (defined at § 151.12(a)), pursuant to this section the capability to perform certain gauging and measurement procedures for certain commodities. Customs approval extends only to the performance of such functions as are vested in, or delegated to, Customs.

(b) *What are the obligations of a Customs-approved gauger?* A commercial gauger approved by Customs agrees to the following conditions and requirements:

(1) To comply with the requirements of part 151, Customs Regulations (19 CFR part 151), and to conduct professional services in conformance with approved standards and procedures, including procedures which may be required by the Commissioner of Customs or the Director;

(2) To have no interest in or other connection with any business or other activity which might affect the unbiased performance of duties as a Customs-approved gauger. It is understood that this does not prohibit acceptance of the usual fees for professional services;

(3) To maintain the ability, *i.e.*, the instrumentation, equipment, qualified staff, facilities, etc., to perform the services for which the gauger is approved, and allow the Director to evaluate that ability on a periodic basis by such means as on-site inspections, demonstrations of gauging procedures, and reviews of submitted records;

(4) To retain those gauger records beyond the five-year record-retention period specified by Customs as necessary to address matters concerned in pending litigation, and, should laboratory operations or accreditation cease, to contact Customs immediately regarding the disposition of records retained;

(5) To promptly investigate any circumstance which might affect the accuracy of work performed as an approved gauger, to correct the situation immediately, and to notify both the port director and the Director of such matters, their consequences, and any corrective action taken or that needs to be taken; and

(6) To immediately notify both the port director and the Director of any attempt to impede, influence, or coerce gauger personnel in the performance of their duties, or of any decision to terminate laboratory operations or accredited status. Further, within 5 days of any changes involving legal name, address, ownership, parent-subsidiary relationships, bond, other offices or sites, managerial or professional or executive staff, approved signatories, facilities, instruments, or equipment, etc., to notify the Director by certified mail.

(c) *What are the approved gauging and measurement procedures?* Customs-accredited gaugers shall follow the general or specific gauging and measurement procedures set forth in Commodity Group Brochures (see definition at § 151.12(a)) in the testing of designated commodities, unless the Director gives written permission to use an alternate method. Alternative methods will be considered and approved on a case-by-case basis.

(d) *How would a commercial gauger become a Customs-approved gauger?* (1) *What should an application contain?* An application for approval shall contain the following information:

(i) The applicant's legal name and the addresses of its principal place of business and any other facility out of which it will work;

(ii) Detailed statements of ownership and any partnerships, parent-subsidiary relationships, or affiliations with any other domestic or foreign organizations, including, but not limited to, importers; producers; refiners; Customs brokers; or carriers;

(iii) A statement of financial condition;

(iv) If a corporation, a copy of the articles of incorporation and the names of all officers and directors;

(v) The names, titles, and qualifications of each person who will be authorized to sign or approve gauging reports on behalf of the commercial gauger;

(vi) A complete description of the applicant's facilities, instruments, and equipment;

(vii) Express agreement that if notified by Customs of pending accreditation to execute a bond in accordance with part 113, Customs Regulations (19 CFR part 113), and submit it to the Customs port nearest to the applicant's main office. (The limits of liability on the bond will be established by the Customs port in consultation with the Director. In order to retain Customs approval, the gauger must maintain an adequate bond, as determined by the port director);

(viii) Express agreement to be bound by the obligations contained in paragraph (b) of this section; and,

(ix) A nonrefundable pre-payment equal to 50 percent of the fixed approval fee, as published in the **Federal Register** and Customs Bulletin, to cover preliminary processing costs. Further, the applicant agrees to pay to Customs within 30 days of notification the associated charges assessed for approval, *i.e.*, those charges for actual travel and background investigation costs, and the balance of the fixed approval fee.

(2) *Where should an application be sent?* A commercial gauger seeking approval or an extension of an existing approval shall send a letter of application to the U.S. Customs Service, Attention: Director, Laboratories & Scientific Services, Washington, DC 20229.

(3) *How will an application be reviewed?*

(i) *Determination of competence.* The Director shall determine the applicant's overall competence, independence, and character by conducting on-site inspections, which will include demonstrations by the applicant of gauging procedures; reviewing records submitted; and conducting background investigations.

(ii) *Evaluation of technical and operational requirements.* Customs shall determine whether the following technical and operational requirements are met:

(A) *Equipment.* The facility shall be equipped with all of the instruments and equipment needed to conduct approved services. The gauger shall ensure that all instruments and equipment are properly calibrated, checked, and maintained.

(B) *Facilities.* The facility shall have, at a minimum, adequate space, lighting, and environmental controls to ensure compliance with the conditions prescribed for appropriate measurements.

(C) *Personnel.* The facility shall be staffed with persons having the necessary education, training, knowledge, and experience for their assigned functions (*e.g.*, maintaining equipment, calibrating instruments, performing gauging services, evaluating gauging results, and signing gauging reports on behalf of the commercial gauger). In general, each technical staff member should have, at a minimum, six (6) months training and experience in gauging.

(e) *How will an applicant be notified concerning approval?*

(1) *Notice of approval or nonselection.* When Customs evaluation of a gauger's credentials is completed, the Director shall notify the gauger in writing of its approval or nonselection. (Final approval decisions will not be made until the applicant has satisfied all bond requirements and made payment on all assessed charges and the balance of the application fee.) Notices of nonselection will state the reasons for the decision. All notices of approval, reapproval, or extension of a gauger's existing Customs-approval will be published in the **Federal Register** and Customs Bulletin.

(2) *Grounds for nonselection.* The Director may deny a gauger's application for any of the following reasons:

(i) The application contains false or misleading information concerning a material fact;

(ii) The gauger has been indicted for, convicted of, or committed acts which under United States federal or state law would constitute any felony or misdemeanor involving misstatements, fraud, theft-related offenses or any other violation which would reflect adversely on the business integrity of the applicant;

(iii) A determination is made that the gauger-applicant does not possess the capability or have adequate facilities and management to perform the approved methods of measurement for Customs purposes;

(iv) A determination is made that the gauger has submitted false reports or statements concerning the measurement of merchandise, or that the applicant was subject to sanctions by state, local, or professional administrative bodies for such conduct;

(v) Nonpayment of assessed charges and the balance of the fixed approval fee; or

(vi) Failure to execute a bond in accordance with part 113 of this chapter.

(3) *Appeal of adverse determinations.* Gaugers receiving an adverse approval determination and wishing to appeal the determination must file an appeal within 30 days to the Director. Within 30 days of receipt of the appeal, the Director shall make a final determination regarding the appeal and notify the gauger in writing. If the Director reaffirms the nonselection, again citing specific reasons, then the applicant may choose to either:

(i) Submit a new application to the Director after waiting 90 days from the date of the Director's last decision; or

(ii) File an action with the Court of International Trade, pursuant to chapter 169 of title 28, United States Code, within 60 days after the issuance of the Director's final decision.

(f) *What are the approval/reapproval fee requirements?*

(1) *In general.* A fixed fee, representing Customs administrative overhead expense, will be assessed for each application for approval or reapproval. In addition, associated assessments, representing the actual costs associated with travel and per diem of Customs employees related to verification of application criteria and background investigations will be charged. The combination of the fixed fee and associated assessments represent reimbursement to Customs for costs related to approval and reapproval. The fixed fee will be published in the Customs Bulletin and the **Federal Register**. Based on a review of the actual costs associated with the program, the fixed fee may be adjusted periodically; any changes will be published in the Customs Bulletin and the **Federal Register**.

(i) *Approval fees.* A nonrefundable pre-payment equal to 50 percent of the fixed approval fee to cover preliminary processing costs must accompany each application for approval. Before a gauger will be approved, it must submit to Customs, Account Services Division, within the 30 day billing period the associated charges assessed for the approval and the balance of the fixed approval fee.

(ii) *Reapproval fees.* Before a gauger will be reapproved, it must submit to Customs, Account Services Division, within the 30 day billing period the fixed reapproval fee.

(2) *Disputes.* In the event a gauger disputes the charges assessed for travel and per diem costs associated with scheduled inspection visits, it may file an appeal within 30 days of the date of the assessment with the Director. The appeal letter must specify which charges are in dispute and provide such supporting documentation as may be available for each allegation. The Director shall make findings of fact concerning the merits of an appeal and communicate the agency decision to the gauger in writing within 30 days of the date of the appeal.

(g) *Can existing Customs-approved gaugers continue to operate?* Commercial gaugers approved by the Director prior to December 8, 1993, will retain approval under these regulations provided that they conduct their business in a manner consistent with the administrative portions of this section. This paragraph does not pertain to any gauger which has had its approval suspended or revoked. Gaugers which have had their approvals continued under this section will have their status reevaluated in the third year

following the effective date of this regulation. At the time of reapproval, these gaugers must meet the requirements of this section and remit to Customs, Account Services Division, within the 30 day billing period the fixed reapproval fee. Failure to meet these requirements will result in revocation or suspension of the approval.

(h) *How will Customs-approved gaugers operate?*

(1)(i) *Contents of reports.* The measurement results from a Customs-approved gauger that are submitted by an importer of record with respect to merchandise in an entry shall, in the absence of measurement conducted by Customs laboratories, be accepted by Customs, provided that the importer of record certifies that the measurement was of the merchandise in the entry. All reports shall measure net landed quantity, except in the case of crude petroleum of Heading 2709, Harmonized Tariff Schedule of the United States (HTSUS), which may be measured by gross quantity. Reports shall be given in the appropriate HTSUS units of quantity, *e.g.*, liters, barrels, or kilograms.

HTSUS	Product	Unit of quantity
Headings 1501–1515	Animal and vegetable oils	Kilogram.
Subheadings 2707.10–2707.30 and 2902.20–2902.44	Benzene, toluene and xylene	Liter.
Heading 2709	Crude Petroleum	Barrel.
Heading 2710 (various subheadings)	Fuel oils, motor oils, kerosene, naphtha, lubricating oils	Barrel
Chapter 29 (various subheadings)	Organic compounds in bulk and liquid form	Kilogram, liter, etc.

(ii) Nothing in these regulations shall preclude Customs from gauging a shipment which has been gauged by a Customs-approved gauger at the request of an importer. In cases where a shipment has been gauged by both Customs and a Customs-approved gauger, all Customs actions will be based upon the gauging reports issued by Customs, unless the Director advises other actions. If Customs measures merchandise, it shall release the reports of its measurements to the importer of record or its agent upon request unless it is proprietary to the holder of a copyright or patent, or developed by Customs for enforcement purposes.

(2) *Recordkeeping requirements.* Customs-approved gaugers shall maintain records of the type normally kept in the ordinary course of business in accordance with the provisions of this chapter and any other applicable provisions of law, and make them available during normal business hours for Customs inspection. In addition, these gaugers shall maintain all records necessary to permit the evaluation and verification of all Customs-related work, including, as appropriate, those described below. All records shall be maintained for five years, unless the gauger is notified in writing by Customs that a longer retention time is necessary for particular records. Electronic data storage and transmission may be approved by Customs.

(i) *Transaction records.* Records for each Customs-related transaction must be readily accessible and have the following:

(A) A unique identifying number;

(B) The date and location where the transaction occurred;

(C) The identity of the product (*e.g.* crude oil);

(D) The name of the client;

(E) The source of the product (*e.g.*, name of vessel, flight number of airline); and

(F) If available, the Customs entry date, entry number, and port of entry and the names of the importer, exporter, manufacturer, and country-of-origin.

(ii) *Major equipment records.* Records for each major piece of equipment used in Customs-related work must identify the name and type of instrument, the manufacturer's name, the instrument's model and any serial numbers, and the occurrence of all servicing performed on the equipment or instrument, to include recalibration and any repair work, identifying who performed the service and when.

(iii) *Records of gauging procedures.* The Customs-approved gauger must maintain complete and up-to-date copies of all approved gauging procedures, calibration methods, etc., and must document the procedures that each staff member is authorized to perform. These procedures must be readily available to appropriate staff.

(iv) *Gauging records.* The Customs-approved gauger must identify each transaction by transaction record number (see paragraph (h)(2)(i) of this section) and must maintain all information or data (such as temperatures, etc.) associated with each Customs-related gauging transaction. Each gauging record (*i.e.*, the complete file of all data for each separate transaction) must be dated and initialed or signed by the staff member(s) who did the work.

(v) *Gauging reports.* Each gauging report submitted to Customs must include:

(A) The name and address of the Customs-approved gauger;

(B) A description and identification of the transaction, including its unique identifying number;

(C) The designations of each gauging procedure used;

(D) The gauging report itself (*i.e.*, the quantity of the merchandise);

(E) The date of the report; and,

(F) The signature of the person accepting technical responsibility for the gauging report (*i.e.*, an approved signatory).

(3) *Representation of Customs-approved status.* Commercial gaugers approved by Customs shall limit statements or wording regarding their approval to an accurate description of the commodities for which approval has been obtained.

(4) *Subcontracting prohibited.* Customs-approved gaugers shall not subcontract Customs-related work.

(i) *How can a gauger have its approval suspended or revoked or be required to pay a monetary penalty?*

(1) *Grounds for suspension, revocation, or assessment of a monetary penalty.*—(i) *General.* A gauger's approval may be revoked or suspended or a gauger may be assessed a monetary penalty at any time by the Director.

(ii) *Grounds for suspension, revocation, or monetary penalty.* A gauger's accreditation may be suspended or revoked, or a monetary penalty may be assessed because:

(A) The selection was obtained through fraud or the misstatement of a material fact by the gauger;

(B) The gauger, or other person the port director determines is exercising substantial ownership or control over the gauger operation or corporate officer, is indicted for, convicted of, or has committed acts which would constitute any felony or misdemeanor under United States Federal or State law. In the absence of an indictment, conviction, or other legal process, a port director must have probable cause to believe the proscribed acts occurred;

(C) Staff gauger personnel refuse or otherwise fail to follow any proper order of a Customs officer or any Customs order, rule, or regulation relative to continued licensing as a Customs-accredited gauger;

(D) The gauger fails to operate in accordance with the obligations of paragraph (b) of this section;

(E) A determination is made that the gauger is no longer technically or operationally proficient at performing the approved methods of measurement for Customs purposes;

(F) The gauger fails to remit to Customs, the Accounts Services Division, within the 30 day billing period the associated charges assessed for the approval and the balance of the fixed approval fee;

(G) The gauger fails to maintain its bond; or

(H) The gauger fails to remit to Customs, the Accounts Services Division, within the 30 day billing period the fixed reapproval fee.

(iii) *Assessment of monetary penalties.* The assessment of a monetary penalty under this section, may be in lieu of, or in addition to, a suspension or revocation of accreditation under this section. The monetary penalty may not exceed $100,000 per violation and shall be assessed and mitigated pursuant to published guidelines. Any monetary penalty under this section can be in addition to the recovery of any loss of revenue or liquidated damages assessed under the gauger's Customs bond.

(2) *Notice.* When a decision to suspend, revoke, and/or to assess a monetary penalty is contemplated, Customs shall immediately notify the gauger in writing of the proposed action. The notice of proposed action shall contain a description of the grounds for the proposed revocation, suspension, and/or assessment of a monetary penalty action, and advise the gauger of the procedures for filing appeals.

(3) *Appeal procedures.* A Customs-approved gauger receiving a notice of suspension or revocation of approval, and/or of assessment of a monetary penalty, and wishing to appeal the decision, shall follow the appeal procedures set forth in paragraph (e)(3) of this section. An appeal to the Director may contain an acceptance of responsibility and may also provide extenuating circumstances and/or rebuttal evidence. Further, the appeal may ask for a meeting with the Director or his designee to discuss proposed actions. Should the gauger fail to file an appeal within the required time period, the Director shall take actions to implement the proposed suspension or revocation and/or to collect the monetary penalty assessed in the notice.

(4) *Publication.* All final notices of suspension or revocation of a commercial gauger's approval, and/or assessment of a monetary penalty will be published in the **Federal Register** and Customs Bulletin, giving the effective date, duration, and scope of each action.

4. In § 151.14, the first sentence is amended by removing the words ''sediment and water' characteristic as set out in § 151.13(a)(2)'' and adding, in its place, the words ''analysis method for crude petroleum contained in ASTM D96 or other approved analysis method''.

Approved: May 6, 1998.

Samuel H. Banks,

Acting Commissioner of Customs.

John P. Simpson,

Deputy Assistant Secretary of the Treasury.

[FR Doc. 98–15336 Filed 6–8–98; 8:45 am]

BILLING CODE 4820–02–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63

[AD–FRL–6106–3]

RIN 2060–A100

National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: This action proposes revisions to the ''National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries,'' which was issued as a final rule on August 18, 1995. This rule is commonly known as the Petroleum Refineries national emission standards for hazardous air pollutants (NESHAP). This action proposes to revise the date by which the Implementation Plan for emissions averaging is to be submitted. This action also proposes an exemption for specific hydrogen plant vent streams from the miscellaneous process vent requirements. Because the revisions do not alter the intended applicability, stringency, or schedule of the NESHAP, the EPA does not anticipate receiving adverse comments. Consequently, the revisions are also being issued as a direct final rule in the final rules section of this **Federal Register**. If no relevant adverse comments are timely received, no further action will be taken with respect to this proposal and the direct final rule will become final on the date provided in that action.

DATES: Comments. Comments must be received on or before July 9, 1998. Additionally, a hearing will be convened if requests to speak are received by June 24, 1998. If a hearing is held, it will take place on July 1, 1998 beginning at 10:00 a.m. and the record on the hearing will remain open for 30 days after the hearing to provide an opportunity for submission of rebuttal and supplementary information.

ADDRESSES: *Comments.* Comments should be submitted (in duplicate, if possible) to: Air and Radiation Docket and Information Center (6102), Attention Docket Number A–93–48 (see docket section below), U.S. Environmental Protection Agency, 401 M Street, SW, Washington, DC 20460. The EPA requests that a separate copy also be sent to the contact person listed below.

Electronic Submittal of Comments

Electronic comments can be sent directly to EPA at: A-and-R-Docket@epamail.epa.gov. Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Comments and data will also be accepted on disks in WordPerfect 6.1 file format or ASCII file format. All comments and data in electronic form must be identified by the docket number A–93–48. Electronic comments on this proposed rule may be filed online at many Federal Depository Libraries.

Public Hearing. If a public hearing is held, it will be held at the EPA's Office of Administration Auditorium, Research Triangle Park, North Carolina or at an alternate site nearby. Persons interested in attending the hearing or wishing to present oral testimony should notify Ms. JoLynn Collins, U.S. Environmental Protection Agency, Research Triangle Park, NC 27711, telephone (919) 541–5671.

Docket. Docket No. A–93–48, containing the supporting information for the original NESHAP and this action, is available for public inspection and copying between 8:00 a.m. and 5:30 p.m., Monday through Friday, at EPA's Air and Radiation Docket and Information Center (MC–6102), 401 M Street SW, Washington, DC 20460, or by calling (202) 260–7548. The docket is located at the above address in Room M–1500, Waterside Mall (ground floor). A reasonable fee may be charged for copying.

FOR FURTHER INFORMATION CONTACT: Mr. James Durham, Waste and Chemical

Processes Group, Emission Standards Division (MD–13), U.S. Environmental Protection Agency, Research Triangle Park, North Carolina 27711, telephone number (919) 541–5672.

SUPPLEMENTARY INFORMATION: On August 18, 1995, EPA promulgated the ''National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries'' (the ''Petroleum Refineries NESHAP''). The NESHAP regulates hazardous air pollutants (HAP) emitted from new and existing refineries that are major sources of HAP emissions. The regulated category and entities affected by this action include:

Category	Examples of regulated entities
Industry	Petroleum Refineries (Standard Industrial Classification Code 2911).

This table is not intended to be exhaustive but, rather, provides a guide for readers regarding entities likely to be interested in the revisions to the regulation affected by this action. To determine whether your facility is regulated by this action, you should carefully examine all of the applicability criteria in 40 CFR 63.640. If you have questions regarding the applicability of this action to a particular entity, consult the appropriate person listed in the preceding **FOR FURTHER INFORMATION CONTACT** section.

If no relevant, adverse comments are timely received, no further activity is contemplated in relation to this proposed rule, and the direct final rule in the final rules section of this **Federal Register** will automatically go into effect on the date specified in that rule. If relevant adverse comments are received, a timely document will be published withdrawing the direct final rule. Public comment received will be addressed in a subsequent final rule based on this proposed rule. Because the EPA will not institute a second comment period on this proposed rule, any parties interested in commenting should do so during this comment period.

For further supplemental information, the detailed rationale, and the rule provisions, see the information provided in the direct final rule in the final rules section of this **Federal Register**.

Administrative Requirements

A. Executive Order 12866 Review

Under Executive Order 12866 (58 FR 51735, October 4, 1993) the EPA must determine whether the regulatory action is ''significant'' and therefore subject to OMB review and the requirements of the Executive Order. The Order defines a ''significant regulatory action'' as one that is likely to result in a rule that may:

1. Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;

2. Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

3. Materially alter the budgetary impact of entitlements, grants, user fees, or land programs or the rights and obligations of recipients thereof; or

4. Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

Because today's action does not alter the stringency or schedule of the Petroleum Refineries NESHAP or the ability of regulating authorities to ensure compliance with the NESHAP, this rule was classified ''non-significant'' under Executive Order 12866 and, therefore was not reviewed by the Office of Management and Budget.

B. Paperwork Reduction Act

The information collection requirements of the previously promulgated NESHAP were submitted to and approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act, 44 U.S.C. 3501 *et.seq.* A copy of this Information Collection Request (ICR) document (OMB Control Number 2060–0340) may be obtained from the Information Policy Branch (PY–223Y); U.S. Environmental Protection Agency; 401 M Street, SW; Washington, DC 20460 or by calling (202) 260–2740. The ICR is currently in the reinstatement process.

Today's proposed changes to the NESHAP have no impact on the information collection burden estimates. The changes regarding emissions averaging consist of a revision to the date by which an Implementation Plan is to be submitted. Because the industry and the EPA were not aware of the hydrogen plant vent streams that may meet the current Group 1 miscellaneous process vent provisions, information collection activities associated with these vents were not included in the burden estimate. Today's revisions do not increase or decrease the information collection burden on the regulated community or the EPA. Consequently, the ICR has not been revised.

C. Regulatory Flexibility

The Regulatory Flexibility Act (RFA) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that this rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and small governmental jurisdictions. This proposed rule will not have a significant negative impact on a substantial number of small entities because it does not add any requirements to the Petroleum Refineries NESHAP. This rule revises a submittal date for a report and provides an exemption for specific vent streams.

D. Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Pub.L. 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with ''Federal mandates'' that may result in expenditures to State, local, and tribal governments, in the aggregate, or to the private sector, of $100 million or more in any one year. Before promulgating an EPA rule for which a written statement is needed, section 205 of the UMRA generally requires EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are inconsistent with applicable law. Moreover, section 205 allows EPA to adopt an alternative other than the least costly, most cost-effective, or least burdensome alternative if the Administrator publishes with the final rule an explanation why that alternative was not adopted. Before EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including tribal governments, it must have developed under section 203 of the UMRA a small government agency plan. The plan must provide for notifying potentially affected small governments, enabling officials of affected small governments to have meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising

small governments on compliance with the regulatory requirements.

At the time of promulgation, EPA determined that the Petroleum Refineries NESHAP does not include a Federal mandate that may result in estimated costs of $100 million or more to either State, local, or tribal governments in the aggregate or to the private sector. This determination is not altered by today's action, the purpose of which is to revise the date by which a report is due and provide an exemption for specific vent streams. Thus, today's proposed rule is not subject to the requirements of sections 202 and 205 of the UMRA.

E. Executive Order 12875

To reduce the burden of Federal regulations on States and small governments, the President issued Executive Order 12875 entitled ''Enhancing the Intergovernmental Partnership'' on October 26, 1993. Executive Order 12875 prohibits the EPA, to the extent feasible and permitted by law, from promulgating any regulation that is not required by statute and that creates a mandate upon a State, local or tribal government unless: (i) The Federal Government provides the funds necessary to pay the direct costs incurred by the State, local or tribal government in complying with the mandate; or, (ii) EPA provides to the Office of Management and Budget a description of the extent of the EPA's prior consultation with representatives of affected State, local and tribal governments, the nature of those entities concerns, any written communications submitted to EPA by such units of government and the EPA's position supporting the need to issue the regulation. Executive Order 12875 further requires the EPA to develop an effective process to permit elected officials and other representatives of State, local and tribal governments ''to provide meaningful and timely input in the development of regulatory proposals containing significant unfunded mandates.'' This rule does not create a mandate upon State, local or tribal governments.

F. Applicability of Executive Order 13045

Executive Order 13045 applies to any rule that EPA determines (1) ''economically significant'' as defined under Executive Order 12866, and (2) the environmental health or safety risk addressed by the rule has a disproportionate effect on children. If the regulatory action meets both criteria, the EPA must evaluate the environmental health or safety effects of the planned rule on children and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the EPA.

This proposed rule is not subject to E.O. 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because it is not an economically significant regulatory action as defined by Executive Order 12866, and it does not address an environmental health or safety risk that would have a disproportionate effect on children.

List of Subjects in 40 CFR Part 63

Environmental protection, Air pollution control, Hazardous air pollutants, Petroleum refineries, Reporting and recordkeeping requirements, Storage vessels.

Dated: May 28, 1998.

Carol M. Browner,

Administrator.

[FR Doc. 98–15006 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

Endangered and Threatened Wildlife and Plants; 12-Month Finding for a Petition To List the Lesser Prairie-Chicken as Threatened and Designate Critical Habitat

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of 12-month petition finding.

SUMMARY: The Fish and Wildlife Service (Service) announces a 12-month finding for a petition to list the lesser prairie-chicken (*Tympanuchus pallidicinctus*) under the Endangered Species Act of 1973 as amended. After review of all available scientific and commercial information, the Service finds that listing this species is warranted but precluded by other higher priority actions to amend the Lists of Endangered and Threatened Wildlife and Plants. The lesser prairie-chicken is added to the Service's candidate species list.

DATES: The finding announced in this document was made on June 1, 1998.

ADDRESSES: Data, information, comments, or questions concerning this petition should be sent to the Field Supervisor, U. S. Fish and Wildlife Service, 222 S. Houston, Suite A, Tulsa, Oklahoma, 74127. The petition finding, supporting data, and comments are available for public inspection, by appointment, during normal business hours at the above address.

FOR FURTHER INFORMATION CONTACT: Jerry Brabander, Field Supervisor, Oklahoma Ecological Services Field Office (see **ADDRESSES** section) (telephone 918/581–7458 ext. 224, facsimile 918/581–7467).

SUPPLEMENTARY INFORMATION:

Background

Section 4(b)(3)(B) of the Endangered Species Act (Act) of 1973, as amended (16 U.S.C. 1531 *et seq.*), requires that for any petition to revise the Lists of Endangered and Threatened Wildlife and Plants that contains substantial scientific and commercial information, the Service make a finding within 12 months of the receipt of the petition on whether the petitioned action is: (a) not warranted, (b) warranted, or (c) warranted but precluded from immediate proposal by other pending proposals of higher priority. Information contained in this notice is a summary of the information in the 12-month finding, which is the Service's decision document. When a petition to list a species is found to be warranted but precluded, the species is designated a candidate species. A candidate species is a taxon for which the Service has on file sufficient information to support issuance of a proposed listing rule. Section 4(b)(3)(C) requires that a petition for which the requested action is found to be warranted but precluded be treated as though it has been resubmitted on the date of such finding; a subsequent finding is to be made on such a petition within 12 months of the initial or previous finding. Notices of such 12-month findings are to be published promptly in the **Federal Register**.

On October 6, 1995, the Service received a petition, dated October 5, 1995, from the Biodiversity Legal Foundation, Boulder, Colorado and Marie E. Morrissey (petitioners). The petitioners requested that the Service list the lesser prairie-chicken as threatened throughout its known historic range in the United States, and that critical habitat be designated as soon as needs of the species are sufficiently well known. However, from October 1995 through April 1996, funding for the Service's listing program was severely reduced or eliminated and the Service was unable to act on the petition.

The Service made a 90-day finding that the petition presented substantial information indicating that the

requested action may be warranted. The 90-day finding was announced in the **Federal Register** on July 8, 1997 (62 FR 36482). In that notice, additional information on the status, trend, distribution, and habitat use of the species was requested by September 8, 1997, for use in a status review. In response to a request by the Lesser Prairie-chicken Interstate Working Group comprised of state agencies and other interested parties, an additional 30-day period for submission of information was announced in the **Federal Register** on November 3, 1997 (62 FR 59334).

The Service has reviewed the petition, the literature cited in the petition, other available literature and information, and consulted with biologists and researchers familiar with the lesser prairie-chicken. On the basis of the best scientific and commercial information available, the Service finds the petition is warranted but precluded by work on other species having higher priority for listing.

The lesser prairie-chicken is in the Order Galliformes, Family Phasianidae, subfamily Tetraoninae, and is recognized as a species separate from the greater prairie-chicken (*Tympanuchus cupido*) (American Ornithologist's Union 1957). Average length ranges from 38–41 centimeters (15–16 inches) (Johnsgard 1973). The plumage of the lesser prairie-chicken is similar to that of the greater prairie-chicken, although it is somewhat lighter and is characterized by alternating brown and buff-colored barring. Males have long tufts of feathers on the sides of the neck which are erected during courtship display. Males also display yellow-orange eyecombs and reddish-purple air sacs during courtship displays (Copelin 1963, Johnsgard 1983). Lesser prairie-chickens were first described as a subspecies of the greater prairie-chicken (Ridgway 1873) but were granted specific status in 1885 (Ridgway 1885). A discussion of lesser prairie-chicken taxonomy is found in Giesen (1997).

Lesser prairie-chickens exhibit a lek mating system. Males gather to display on leks at dusk and dawn beginning in late February through early May (Copelin 1963, Hoffman 1963, Crawford and Bolen 1975). A dominant older male occupies the center of the lek, while younger males gather in outlying areas. Females arrive at the lek in early spring; peak hen attendance at leks is during mid-April (Copelin 1963, Haukos 1988). The sequence of vocalizations and posturing of the dominant male, termed ''booming,'' has been described by Johnsgard (1983) and Haukos (1988).

After mating, the hen selects a nest site, usually 1–3 kilometers (km) (0.6–2 miles (mi)) from the lek (Giesen 1994b), and lays an average clutch of 10–14 eggs (Bent 1932, Taylor and Guthery 1980). Second nests may occur when the first attempt is unsuccessful. Incubation lasts 23–26 days, and young leave the nest within hours of hatching (Coats 1955). Broods may remain with females for 6–8 weeks (Ehrlich *et al.* 1988). Campbell (1972) estimated a 65 percent annual mortality rate, and a 5-year maximum life span. Giesen (1997) provided a comprehensive summary of lesser prairie-chicken breeding behavior, habitat, and phenology.

The lesser prairie-chicken historically occupied areas of sand sagebrush (*Artemesia filifolia*)—bluestem (*Andropogon* spp. and/or *Schizachyrium* spp.) or shinnery oak (*Quercus havardii*)—bluestem grasslands in portions of southeastern Colorado (Giesen 1994a), southwestern Kansas (Schwilling 1955), western Oklahoma (Duck and Fletcher 1944), the Texas Panhandle (Henika 1940, Oberholser 1973), and eastern New Mexico (Ligon 1927). In Colorado and Kansas, the sand sagebrush prairie community used by lesser prairie-chickens also includes sand dropseed (*Sporobolus cryptandrus*), little bluestem (*Schizachyrium scorparium*), switchgrass (*Panicum virgatum*), blue grama (*Bouteloua gracilis*), and sideoats grama (*Bouteloua curtipendula*) (Baker 1953, Taylor and Guthery 1980, Giesen 1994a). Most of the lesser prairie-chickens in Kansas are found south of the Arkansas River in sand sagebrush prairies similar to those in southeastern Colorado (Sexson and Horak 1978).

In western Oklahoma, lesser prairie-chickens use sand sagebrush-bluestem grasslands as well as the shinnery oak-bluestem grasslands, dominated by sand bluestem (*Andropogon halli*), little bluestem, and sand dropseed (Duck and Fletcher 1944, Copelin 1963). In Texas, populations are confined almost exclusively to sandy ridges containing shinnery oak and/or sand sagebrush, as well as tall grasses such as sand bluestem, little bluestem, and switchgrass (Jackson and De Arment 1963, Litton 1978).

In the southeastern part of New Mexico, lesser prairie-chickens exist in the shrub-dominated High Plains Bluestem habitat type in mixed stands of tall grasses (i.e., sand bluestem, little bluestem) and shinnery oak (Riley *et al.* 1993a). In northern New Mexico, lesser prairie-chickens primarily used sand sagebrush rangelands dominated by sand bluestem, little bluestem, and Indiangrass (*Sorghastrum nutans*), with some yucca (*Yucca spp.*), shinnery oak, and mesquite (*Prosopsis spp.*) (Taylor and Guthery 1980).

The diet of lesser prairie-chickens is dominated by vegetative matter in autumn and winter, with insects increasing in proportion in the diet during the summer months. Shinnery oak leaf galls, catkins, leaves, and acorns may comprise 60–70 percent of the autumn and winter diet (Davis *et al.* 1979; Riley *et al.* 1993b); fragrant sumac (*Rhus aromatica*) and sand sagebrush also are important winter foods (Doerr and Guthery 1980). When available, grain sorghum fields are often used as winter food (Copelin 1963, Donaldson 1969). In New Mexico, green vegetation constituted about 80 percent of the spring diet (Davis *et al.* 1979). Insects (Acrididae, Tettigoniidae, and Membracidae) comprised 55 percent of the summer diet of adults, and 99–100 percent of the summer diet of juveniles (Davis *et al.* 1979, Davis *et al.* 1980).

Summary of Population Status

Little information is available on lesser prairie-chicken populations prior to 1900. Litton (1978) suggested that there may have been as many as two million birds in Texas alone prior to 1900. The Service is not aware of any independent estimate to corroborate Litton's claim, and the source or methodology behind his estimate is unknown. However, in the early twentieth century, lesser prairie-chickens were reportedly quite common throughout their range in Colorado, Kansas, New Mexico, Oklahoma, and Texas (Bent 1932, Baker 1953, Bailey and Niedrach 1965, Sands 1968, Fleharty 1995). By the 1930s, extensive cultivation, overgrazing, and drought had begun to cause the species to disappear from areas where it had been abundant (Bent 1932, Baker 1953, Bailey and Niedrach 1965, Davison 1940, Lee 1950, Oberholser 1974). Lesser prairie-chicken abundance appeared to fluctuate somewhat during the 1940s and 1950s (Copelin 1963, Snyder 1967, Crawford 1980), and by the early 1970s, the total fall population may have been reduced to about 60,000 birds (Crawford 1980). By 1980, the estimated total fall population was approximately 44,000 to 53,000 birds (Crawford 1980).

Each of the five State wildlife agencies provided the Service with information regarding the status of the lesser prairie-chicken. Most states collect data in the form of one or both of the following indices—average lek size (i.e., number of males per lek); or density of leks in a given area. The State of Kansas estimates density of birds per square mile (sq mi). In general, each of

the State wildlife agencies believes that they are unable to provide a precise estimate of lesser prairie-chicken population abundance in their State. In the absence of bird density data, the number of active leks over large areas was recommended as the most reliable index to prairie grouse population trends (Cannon and Knopf 1981).

In Colorado, the lesser prairie-chicken has been listed as threatened under State law since 1973. The total number of lesser prairie-chickens counted on leks increased substantially between 1959 and 1990 as did survey effort. The Colorado Division of Wildlife currently estimates a total of 800–1,000 lesser prairie-chickens in the State (K. Giesen, pers. comm. August 26, 1997).

In Kansas, the lesser prairie-chicken is an upland game bird with a legal harvest between December 1 and January 31. In the early part of this century, lesser prairie-chickens were considered plentiful in the sandhill and bunchgrass areas (Colvin 1914 as reported by Bent 1932), and they remained abundant until the droughts of the 1930s (Schwilling 1955). Estimated fall population in 1979 was 17,000–18,000 birds (Crawford 1980). Eight of 10 lesser prairie-chicken survey routes in Kansas had a significantly declining trend of birds per sq mi (data available from most routes from 1969–1995; R. Applegate, *in litt.* August 8, 1996). In 1997, the rangewide average of 0.69 birds per 100 hectares (ha) (1.8 birds per sq mi) was not a statistically significant decline over the 1996 average of 0.8 birds per 100 ha (2.2 birds per sq mi) (Rodgers 1997).

In New Mexico the lesser prairie-chicken is an upland game bird, although the hunting season was closed in 1996. Estimates of occupied range in New Mexico over the last century suggest a pattern of decline and increase, including reoccupation of former range (Ligon 1927, Snyder 1967, Sands 1968). In the 1950s, the population was estimated at 40,000–50,000 (Sands 1968) and by 1972, at 6,000–10,000 birds (Taylor and Guthery 1980 based on Campbell 1972). Survey data from 1971–1997 analyzed by the New Mexico Natural Heritage Institute show a clear decrease after 1988. During the 1990s, much greater survey effort continually failed to yield increased numbers of prairie chickens on traditional lek sites on Bureau of Land Management (BLM) administered property.

In Oklahoma, the lesser prairie-chicken is considered an upland game bird, although the harvest season will be closed beginning with the fall 1998 hunting season. Abundance estimates in Oklahoma also suggest population fluctuations—in 1944, 15,000 birds were estimated (Duck and Fletcher 1944); by 1956, only 2,500–3,000 (Summars 1956); and in 1960, approximately 15,000 (Copelin 1963). By 1979, Cannon and Knopf (1980) reported an estimated total of 7,500 lesser prairie-chickens. A very rough estimate of 475 total lesser prairie-chickens in spring of 1995 was provided to the petitioner by the Oklahoma Department of Wildlife Conservation (ODWC). Between 1968 and 1997, the mean number of males per active lek ranged from a high of 16.5 in 1975 to a low of 4.6 in 1995. In both 1996 and 1997, an average of 6.8 males per active lek was estimated. Between 1987 and 1997, the estimated density of leks within occupied habitat ranged from a high of 0.13 leks per 100 ha (0.33 leks per sq mi) in 1988 to a low of 0.024 leks per 100 ha (0.06 leks per sq mi) in 1997 (ODWC 1997).

In Texas, the lesser prairie-chicken is an upland game bird with a legal harvest from October 18–19. Although Litton (1978) reported estimates of 2 million birds in Texas prior to 1900, the source of this estimate is unknown. By 1937, the population may have been reduced to 12,000 (Oberholser 1974). In 1967, the State of Texas believed the lesser prairie-chicken population was of sufficient size to reinstate a limited harvest, which had been closed since 1937. In 1979, the population was estimated at 11,000–18,000 birds (Crawford 1980). Between 1942 and 1986, the Texas Parks and Wildlife Department (TPWD) annually estimated density of leks per 100 ha in two counties of the Texas panhandle (Wheeler and Hemphill). During this time period, density of leks in Hemphill County remained fairly stable, and averaged 0.083 leks per 100 ha (0.21 leks per sq mi). In 1997, density estimated on this study area was 0.049 leks per 100 ha (0.13 leks per sq mi), 41 percent below the 1942–1986 average. In Wheeler County, the 1942–1985 average was 0.518 leks per 100 ha (1.35 leks per sq mi), and the 1997 estimate was 0.074 leks per 100 ha (0.19 leks per sq mi), 85.7 percent lower than the 1942–1986 average (J. Hughes, *in litt.* August 26, 1997).

Summary of Factors Affecting the Species

Section 4 of the Endangered Species Act and regulations (50 CFR part 424) promulgated to implement the listing provisions of the Act set forth the procedures for adding species to the Federal lists. A species may be determined to be an endangered or threatened species due to one or more of the five factors described in section 4(a)(1). These factors and their application to the lesser prairie-chicken are as follows:

A. The Present or Threatened Destruction, Modification, or Curtailment of Its Habitat or Range

Historical and Current Range

In the early twentieth century, lesser prairie-chickens were reportedly common throughout their five-state range (Bent 1932, Baker 1953, Sands 1968, Fleharty 1995). Lesser prairie-chickens are currently found within each of the five states, although their distribution within those states has declined (Bent 1932, Taylor and Guthery 1980, Giesen 1997).

The area originally occupied by lesser prairie-chickens was estimated as 358,000 square kilometers (sq km) (140,000 sq mi), and by 1969 it was about 125,000 sq km (49,000 sq mi), due to wide-scale conversion of native prairie to cultivated cropland (Taylor and Guthery 1980 based on Aldrich 1963). In 1980, occupied range was estimated at 27,300 sq km (10,700 sq mi), which represented a 78 percent decrease in range since 1963, and a 92 percent decrease since the 1800s (Taylor and Guthery 1980).

Colorado—It is likely that lesser prairie-chickens were resident only in six counties prior to settlement (Giesen 1994a). Museum specimens are known only from Baca and Prowers counties (Giesen 1994a). At present, lesser prairie-chickens are known to be present in Baca, Prowers, and Kiowa counties (Giesen 1994a).

Kansas—Lesser prairie-chicken historical range included 38 counties (Schwilling 1955, Figure 1), and they are currently known to exist in 19 Kansas counties (R. Applegate, *in litt.* October 8, 1997).

Oklahoma—Lesser prairie-chickens historically occurred in 16 Oklahoma counties (Duck and Fletcher 1944). In 1943, lesser prairie-chickens were located in nine counties, comprising an estimated range of 10,143 sq km (3,962 sq mi) (Duck and Fletcher 1944). In 1963, they were located in 12 counties, with an estimated range of 6,225 sq km (2,432 sq mi) (Copelin 1963). By 1979, they were verified in 8 counties; isolated fragments totaled an estimated 2,791 sq km (1,090 sq mi), a decrease of approximately 72 percent since 1944 (Cannon and Knopf 1980).

At present, there are reports of lesser prairie-chickens occurring in seven counties (ODWC 1997; R. Horton, ODWC, *in litt.* November 12, 1997; J. Shackford, Oklahoma Cooperative Fish

and Wildlife Research Unit, *in litt.* May 27, 1997). The estimated occupied range in 1995 was 1,162 sq km (454 sq mi) (R. Horton, ODWC, pers. comm. December 13, 1995), which would indicate a decrease of 89 percent since Duck and Fletcher's (1944) estimate.

Texas—The earliest systematic survey of lesser prairie-chickens in the State was Henika (1940) (M. Peterson, TPWD and Wildlife, *in litt.* October 17, 1997). At that time, range of the lesser prairie-chicken encompassed portions of 20 counties (Henika 1940). In addition to those counties, Oberholser (1974) reported that museum specimens exist for five additional counties, although there is uncertainty as to whether two of the five specimens were actually greater prairie-chicken and Attwater's prairie-chicken (*Tympanuchus cupido attwateri*), respectively (M. Peterson, *in litt.* November 12, 1997). Although Henika (1940) may have reported the first systematic survey, Henika considered the occupied range at that time to be a reduction of the historical range.

In 1989, the TPWD produced an occupied range map that encompassed portions of 13 counties (Locknane 1992), with an estimated range of 5,732 sq km (2,239 sq mi) (A. Sansom, *in litt.* April 3, 1997); a net loss of 793 sq km (310 sq mi) of occupied habitat had occurred between 1940 and 1989 (M. Peterson, *in litt.* October 17, 1997). In 1997, TPWD reported that lesser prairie-chickens were found in 16 counties (K. Mote, *in litt.* October 17, 1997).

New Mexico—In the 1920s and 1930s, the former range of the lesser prairie-chicken in New Mexico was described as all of the sandhill rangeland of eastern New Mexico, from Texas to Colorado, and west to Buchanan in DeBaca County (Ligon 1927, Bent 1932, Snyder 1967). Ligon (1927) mapped the breeding range at that time as encompassing portions of seven counties, a small subset of what he described as former range. In the 1950s and 1960s, occupied range mapped by Frary (1957) and Snyder (1967) was more extensive, indicating reoccupation of some areas. Presently, New Mexico Department of Game and Fish (NMDGF) reports that lesser prairie-chickens are known in portions of seven counties (B. Hale, NMDGF, pers. comm. October 6, 1997), and that they have apparently been extirpated from 3,308 sq km (1,292 sq mi) of an original range of 22,131 sq km (8,645 sq mi) (Bailey 1997).

Habitat Destruction

Conversion of native sand sagebrush and shinnery oak rangeland to areas of cultivation is cited by many authors as an important factor in the decline of lesser prairie-chickens (Copelin 1963; Jackson and DeArment 1963; Crawford and Bolen 1976; Crawford 1980; Taylor and Guthery 1980; Braun *et al.* 1994; Lesser Prairie-chicken Interstate Working Group 1997). Between 1915 and 1925, many new acres of prairie sod were plowed on the Great Plains to grow needed wheat (Laycock 1987). By the 1930s, Bent (1932) speculated that extensive cultivation or overgrazing had begun to cause the species to disappear from sections where it had been abundant. Because grain crops increased winter food supply, the initial conversion of some native prairie to cultivation may have been beneficial to the species. However, areas with greater than 20–37 percent cultivation may be incapable of supporting stable populations (Crawford and Bolen 1976). In the 1940s, 1970s, and 1980s, additional acres of previously unbroken grassland were plowed (Laycock 1987).

Bragg and Steuter (1995) estimated that in 1993, only 8 percent of the bluestem-grama association and 58 percent of the mesquite-buffalograss association as described by Kuchler (1985) remained. The remaining mixed-grass prairie vegetation differs from pre-settlement conditions. The present grazing, fire, and water management regimes are vastly different and less variable, cultivated cropland has been added, and the amount of woodland habitat has expanded (Knopf and Samson 1997).

Recent loss of native rangeland within the range of the lesser prairie-chicken was determined using the National Resources Inventory (NRI) of the U. S. Department of Agriculture Natural Resources Conservation Service (NRCS). The 1992 NRI Summary Report provided estimates of change in rangeland acreage from 1982–1992 for each state. When considered state-wide, each of the five states with lesser prairie-chickens showed a decline in the amount of rangeland acreage over that time period, indicating that loss of habitat may still be occurring. However, estimates of rangeland from 1982–1992 for counties specifically within lesser prairie-chicken range showed no statistically significant change, possibly due to small sample size and large variance estimates.

Habitat Modification (Grazing and Fragmentation)

Grazing has always been an ecological force within the Great Plains ecosystem. The evolutionary history of the mixed-grass prairie resulted in endemic bird species adapted to a mosaic of lightly to severely grazed areas (Bragg and Steuter 1995, Knopf and Samson 1997). The Service believes that areas of heavily, moderately, and lightly grazed areas are necessary on a landscape scale. In some areas within lesser prairie-chicken range, an insufficient amount of lightly grazed habitat is available to support successful nesting (Crawford 1980; Jackson and DeArment 1963; Davis *et al.* 1979; Taylor and Guthery 1980; Davies 1992). Uniform or widespread livestock grazing of rangeland to a degree that leaves less than adequate residual cover remaining in the spring is considered detrimental to lesser prairie-chicken populations (Bent 1932; Davis *et al.* 1979; Cannon and Knopf 1980; Crawford 1980; Bidwell and Peoples 1991; Riley *et al.* 1992; Giesen 1994b), because grass height is reduced below that necessary for nesting cover and desirable food plants are markedly reduced. Superior cover at and around nests is thought to increase nest success because nests are better concealed from predators (Davis *et al.* 1979; Wisdom 1980; Riley *et al.* 1992; Giesen 1994b). When grasslands are in a deteriorated condition due to overgrazing, the soils have less water-holding capacity, and the availability of succulent vegetation and insects is reduced. Thus, the effects of overgrazing are likely exacerbated by drought (Davis *et al.* 1979; Merchant 1982).

In summary, livestock grazing is not necessarily detrimental to lesser prairie-chickens. However, a level of grazing that leaves little cover in the spring for concealment of prairie-chicken nests is detrimental. In some areas, limited brush control may be warranted, but widespread eradication of brush to increase forage for livestock can result in a lack of shrub cover for lesser prairie-chickens which is also detrimental. Because the lesser prairie-chicken depends on medium and tall grasses that are preferred by cattle in regions of low rainfall, its habitat is easily overgrazed (Hamerstrom and Hamerstrom 1961). To be favorable to lesser prairie-chickens, grazing management must ensure that a diversity of plants and cover types remain on the landscape (Taylor and Guthery 1980).

Because suitable habitat for lesser prairie-chickens has been lost due to conversion to agriculture and modified through grazing practices and other factors, much of the remaining suitable habitat is fragmented (Crawford 1980; Braun *et al.* 1994). Fragmentation may exacerbate the extinction process (Wilcove *et al.* 1986) through several mechanisms: remaining fragments may be smaller than the necessary home range size (Samson 1980), necessary

habitat heterogeneity may be lost, habitat between patches may house high levels of predators or brood parasites, and the probability of recolonization decreases as distance from nearest patch increases (Wilcove *et al.* 1986; Knopf 1997). As a group, grouse may be relatively intolerant of extensive habitat fragmentation due to their short dispersal distances and other life history characteristics such as specialized food habits and generalized anti-predator strategies (Braun *et al.* 1994).

B. Overutilization for Commercial, Recreational, Scientific, or Educational Purposes

In the late 19th century, lesser prairie-chickens were subject to market hunting (Jackson and DeArment 1963). Harvest has been regulated since approximately the turn of the century (Crawford 1980). Giesen (1997) summarized the history of regulated harvests in each of the states: hunting seasons were closed in Colorado in the early 1900s; in Kansas from 1903–1905, 1913–1916, 1927–1930, 1936–1940, 1944–1950, and 1953–1956; in Texas from 1937–1967; in New Mexico from the early 1930s to 1948, 1950–1958, and 1996 through present; and in Oklahoma from 1916–1928, 1930, 1932, and 1934–1949. Currently, the lesser prairie-chicken is classified as a game species in Kansas, New Mexico, Oklahoma, and Texas, although the legal harvest is now closed in New Mexico and Oklahoma.

The Service does not believe that overutilization through recreational hunting is a primary cause of lesser prairie-chicken population declines. However, when populations are small and fragmented, they are vulnerable to local extirpations through many mechanisms, including human harvest. The Service does not know if the continental lesser prairie-chicken population has declined to the point where recreational harvest could cause a significant decline at the population level.

Braun *et al.* (1994) called for definitive experiments that evaluate the extent to which hunting is an additive mortality factor at different harvest rates and in different patch sizes. In the interim, they suggested conservative harvest regimes for small or fragmented populations, because fragmentation likely decreases the resilience of populations to harvest. The Service concurs with this recommendation.

The effect of recreational observations of birds at leks is unknown. These effects are likely to be minimal at the population level if disturbance is minimized by observers remaining in vehicles or blinds until the birds disperse from the lek after sunrise, and if observations are confined to a limited number of total leks.

C. Disease or Predation

Giesen (1997) reported no available information on ectoparasites or infectious diseases in lesser prairie-chickens, although several endoparasites including nematodes and cestodes are known to infect the species. In the spring of 1997, a sample of 12 lesser prairie-chickens from Hemphill County, Texas, were captured and tested for the presence of disease and parasites. No evidence of viral or bacterial diseases, hemoparasites, parasitic helminths, or ectoparasites was found (J. Hughes, TPWD, *in litt.* August 26, 1997). The significance of the parasite infestations noted in the literature is unknown. The Lesser Prairie Chicken Interstate Working Group (1997) concluded that while density-dependent transmission of disease was unlikely to have a significant effect on lesser prairie-chicken populations, a disease that was transmitted independently of density could have drastic effects.

Prairie falcons (*Falco mexicanus*), northern harriers (*Circus cyaneus*), great-horned owls (*Bubo virginianus*), and coyotes (*Canis latrans*) have been identified as predators of lesser prairie-chicken adults and chicks (Copelin 1963; Davis *et al.* 1979; Merchant 1982; Haukos and Broda 1989; Giesen 1994). Predators of nests and eggs also include Chihuahuan ravens (Corvus cryptoleucus), striped skunks (*Mephitis mephitis*), ground squirrels (*Spermophilus spilosoma*), and bullsnakes (*Pituophis melanoleucus*), as well as coyotes and badgers (*Taxidea taxus*) (Davis *et al.* 1979, Giesen 1997).

Predation on lesser prairie-chickens is especially important relative to nest success. Nest success and brood survival of greater prairie-chickens accounted for most of the variation in population trends (Wisdom and Mills 1997). Thus, to have the greatest effect on population growth, management for greater prairie-chickens should focus on improving nest success and brood survival. To the Service's knowledge, a similar analysis has not been completed for the lesser prairie-chicken, but the Service expects that survival of young is important for all prairie grouse. Bergerud (1988) concluded that population changes in many grouse species are driven by changes in breeding success; this conclusion was supported by an analysis of Attwater's prairie-chicken (Peterson and Silvy 1994).

The community of prairie mammals has undergone a significant reconstruction due to destruction of habitat, decimation of keystone species and top predators, and the increase in generalist and introduced animals (Benedict *et al.* 1996). Habitat generalist species such as the coyote, red fox (*Vulpes fulva*), gray fox (*Urocyon cinereoargenteus*), and raccoon (*Procyon lotor*) may all have increased in population size or range size since European settlement (Bowles 1981; Jones *et al.* 1983; Caire *et al.* 1989; Benedict *et al.* 1996). The initial reduction of large canids of the Great Plains may have been responsible for an increase in medium-sized predators such as skunk, raccoon, and fox, which are known to cause low duck nest success in the northern Great Plains (Sargeant *et al.* 1984, Garrettson *et al.* 1996). As habitat fragmentation increases, the effects of terrestrial nest predators may increase (Braun *et al.* 1978). The Lesser Prairie-chicken Interstate Working Group (1997) reported that two ongoing studies of prairie grouse, in Kansas and Oklahoma, have shown a very high rate of nest failure due to predators. However, the significance of nest predation at the population level is not known.

D. The Inadequacy of Existing Regulatory Mechanisms

In 1973, the lesser prairie-chicken was listed as threatened in Colorado under the State's ''Nongame and Endangered or Threatened Species Conservation Act.'' In July of 1997, the NMDGF received a formal request to commence an investigation into the status of the lesser prairie-chicken within New Mexico. This request was the beginning of the process for potential listing of this species under New Mexico's Wildlife Conservation Act. Most occupied lesser prairie-chicken habitat throughout its current range occurs on private land (Taylor and Guthery 1980), where states have little authority to protect the species or its habitat, with the exception of setting harvest regulations.

The National Forest Management Act (NFMA, 36 CFR Ch. 11, Section 219.19), requires that certain species be identified as management indicator species if their population changes are believed to indicate the effects of management activities. According to the NFMA, planning alternatives should be evaluated in terms of population trends of management indicator species, and biologists from state and Federal agencies should be consulted to coordinate planning. In Region 2 of the Forest Service (USFS), the Pike and San Isabel National Forests, which

administers the Comanche and Cimarron National Grasslands, designates the lesser prairie-chicken as a management indicator species. Its Land and Resource Management Plan contains specific standards and guidelines for lesser prairie-chicken habitat management. Revision of the current Land and Resource Management Plan is scheduled to be completed in 1999 (J. Hartman, pers. comm. April 22, 1997).

The current standards and guidelines apply wherever lesser prairie-chickens occur on these Grasslands (J. Hartman, *in litt.* April 25, 1997). The guidelines direct the USFS to: maintain range with a diversity of plant forms, promote mid-seral to potential natural community plant species, protect all lesser prairie-chicken leks from surface disturbance at all times, protect nesting habitat from surface disturbance from April 15–June 30, and limit livestock and wild herbivore allowable forage use in lesser prairie-chicken habitat to 40 percent (J. Hartman, *in litt.* April 25, 1997). As stated in the Oil and Gas Leasing Environmental Impact Statement for the Comanche and Cimarron National Grasslands, no surface use is allowed in ''prairie chicken dancing grounds and nesting areas'' between March 1 and June 1 (J. Hartman, *in litt.* April 25, 1997). Internal USFS recommendations (USDA Forest Service 1995) to implement a specific habitat monitoring plan to ensure that nesting habitat standards are met had not been implemented as of December 1997 (S. Curry, USFS, pers. comm. December 1, 1997).

In Region 3 of the USFS, the Cibola National Forest, which administers the Black Kettle, Kiowa, and Rita Blanca National Grasslands, does not designate the lesser prairie-chicken as a management indicator species and does not provide specific standards and guidelines for lesser prairie-chicken habitat management. The Land and Resource Management Plan is currently being revised, and the USFS is considering: (1) making the lesser prairie-chicken an indicator species; and (2) the implementation of grazing guidelines specific to lesser prairie-chicken habitat needs. However, these decisions have not been finalized (L. Cosper, USFS, pers. comm. January 13, 1998). Over the past year, District Rangers of the Cimarron, Comanche, and Black Kettle National Grasslands have been consulting with the State wildlife agencies to refine nesting habitat recommendations and to develop grazing standards (J. Hartman and D. Pieper, *in litt.* September 5, 1997).

The other Federal land occupied by lesser prairie-chickens is administered by the BLM in New Mexico. The lesser prairie-chicken has no official special status on land administered by the BLM (E. Roberson, BLM, *in litt.* January 12, 1998). The majority of lesser prairie-chicken habitat is within the Roswell Resource Area. In October of 1997 the Roswell Approved Resource Management Plan and Record of Decision were signed (BLM 1997a). Drilling and 3–D geophysical exploration will not be allowed in lesser prairie-chicken habitat March 15–June 15 each year. During that period, other activities that produce noise or involve human activity will not be allowed between 3:00 am and 9:00 am; this does not include normal, around-the-clock operations. No new drilling will be allowed within 200 meters (m) (650 feet (ft)) of all known leks, although exceptions will be considered for areas of no or low prairie-chicken booming activity; unoccupied habitat, including leks, as determined at the time of permitting; or in emergency situations (BLM 1997a, App. 1). Because lesser prairie-chickens often nest within a 3 km (1.9 mi) radius of a lek, restrictions on drilling within 200 m will not protect all or even a majority of nesting habitat.

Davis *et al.* (1979) were contracted by BLM to provide information necessary to evaluate the effects of grazing on lesser prairie chicken habitat needs. Although Davis *et al.* (1979) recommended reduction of stock levels and construction of a series of livestock exclosures at least 32 ha (80 acres (ac)) in size, it is not clear that these recommendations were followed. In 1997 BLM reported the presence of several 1 ha (2–3 ac) exclosures, one 40 ha (97 ac) exclosure, and a proposed expansion of a 37 ha (91 ac) exclosure to 80 ha (195 ac) (R. French, BLM, pers. comm. November 12, 1997; BLM 1997a).

In New Mexico, the BLM administers a total of 2,275 grazing allotments, 290 of which have Allotment Management Plans in place to guide livestock grazing management (BLM 1997b). Of the 415 grazing allotments present in the Roswell Resource Area, 45 have existing Allotment Management Plans. An estimated 3 new plans or revisions will be completed each year. The Resource Management Plan states that adjustments in livestock numbers or other changes will be considered and implemented, if needed, to avoid conflicts with the management of habitat for lesser prairie-chickens (BLM 1997a, p. 30). Stocking rates may not be decreased if a change in grazing management (change in season of use, pasture rest rotation, or Holistic Range Management) can be used to meet the same goal (E. Roberson, *in litt.* January 12, 1998).

As a separate effort, Standards for Public Land Health and Guidelines for Livestock Grazing are being developed for public lands by the New Mexico Resource Advisory Council, and ''will be implemented in the Roswell Resource Area to develop a more effective partnership between the ranching industry and the BLM'' (BLM 1997a, p. 31). A draft copy of the Standards and Guidelines provided to the Service indicated that livestock grazing guidelines will be applied only after it is determined that a site does not meet the specified standard (BLM 1997b). Site indicator interpretations and targets will be developed by each BLM field office in conjunction with various rangeland interests (BLM 1997b, p. 4). The Service noted that no mention was made of NMDGF or Service participation in the development of these standards. In addition, while the above-referenced language in the approved Resource Management Plan discusses potential livestock adjustments to avoid conflicts with lesser prairie-chicken habitat needs, no specific proposals to do so were noted. Given that the lesser prairie-chicken is not currently a Federal- or State-listed species, a regulatory mechanism may not exist to ensure development of standards and guidelines that favor lesser prairie-chicken habitat needs.

E. Other Natural or Human Made Factors Affecting Its Continued Existence

Drought is considered a universal ecological driver across the Great Plains (Knopf 1997). Infrequent, severe drought may cause local extinctions of annual forbs and grasses that have invaded stands of perennial species, and recolonization of these areas may be slow (Tilman and El Haddi 1992). In this way, drought may impact lesser prairie-chickens through its effect on seasonal growth of vegetation necessary to provide nesting and roosting cover, food, and escape from predators (Merchant 1982; Peterson and Silvy 1994; Morrow *et al.* 1996).

The sensitivity of lesser prairie-chickens to drought was discussed by Crawford (1980) and Hamerstrom and Hamerstrom (1961). Home ranges may be larger in drought years (Copelin 1963, Merchant 1982), and recruitment may be less likely after drought years (Merchant 1982, Morrow 1986, Giesen 1997). Along with other prairie grouse, this species has a high reproductive potential in years of adequate

conditions. Thus, drought conditions are unlikely to be the sole causative factor in long-term lesser prairie-chicken population declines, unless the severity and/or frequency of drought has increased in recent years.

To address this question, the Service reviewed available records of the monthly Palmer Drought Severity Index (PDSI, Palmer 1965) which takes into account precipitation, evapotranspiration, and soil-moisture conditions (Alley 1985). Monthly PDSI values from January 1895 through July 1997 were obtained for the climate divisions within the lesser prairie-chicken's range. Review of the average PDSI for the months March-August in each year reveals that while major droughts over the last century are clearly observed in each climate division (1930s, 1950s), there does not appear to be an increase in the frequency or severity of drought conditions over the last 10–15 years. Highs and lows during that time are well within the range of variation experienced over the last 100 years.

Female ring-necked pheasants (*Phasianus colchicus*) have been documented parasitizing nests of several species, including greater prairie-chicken (Vance and Westemeier 1979; Kimmel 1987; Westemeier *et al.* 1989). Consequences of nest parasitism vary, and may include abandonment of the host nest, reduction in number of host eggs, lower hatching success, and parasitic broods (Kimmel 1987). Predation rate may increase with incidence of parasitism (Vance and Westemeier 1979). Further consequences may include the imprinting of the pheasant young from the parasitized nest to the host species, and later attempts by male pheasants to court females of the host species (Schein 1963, Kimmel 1987). Male pheasants have been observed disrupting the breeding behavior of greater prairie-chickens on leks (Sharp 1957, Follen 1966, Vance and Westemeier 1979). In addition, pheasant displays toward female prairie-chickens almost always cause the female to leave the lek (Vance and Westemeier 1979). Thus, an attempt by a pheasant to display on a prairie-chicken lek would completely disrupt the normal courtship activities of prairie-chickens.

To our knowledge, no published reports of this disruption exist for lesser prairie-chickens, although the Service has received anecdotal reports from staff of the ODWC, the TPWD, and the Oklahoma Cooperative Fish and Wildlife Research Unit. The Service considers competition with and parasitism by pheasants another factor that may have affected lesser prairie-chicken populations. This factor needs further quantification to understand its relative impact on lesser prairie-chicken populations.

Section 4(b) of the Act states that the Service may make warranted but precluded findings only if it can demonstrate that: (1) An immediate proposed rule is precluded by other pending proposals; and that (2) expeditious progress is being made on other listing actions. On September 21, 1983 (48 FR 43098), the Service published in the **Federal Register** its priority system for listing species under the Act. The system considers magnitude of threat, immediacy of threat, and taxonomic distinctiveness in assigning species numerical listing priorities on a scale of 1 to 12. The Service has determined that the overall magnitude of threats to the lesser prairie-chicken throughout its range is moderate, and that the threats are ongoing, thus they are considered imminent. A listing priority of 8 has consequently been assigned for the lesser prairie-chicken. The Service is making expeditious progress on other, higher priority listing actions.

The Service's 12 month finding contains more detailed information regarding the above decisions. A copy may be obtained from the Oklahoma Ecological Services Field Office (see **ADDRESSES** section). If additional data become available in the future, the Service may reassess the listing priority for this species or the need for listing.

References Cited

A complete list of references cited in this notice is available upon request from the Oklahoma Ecological Services Field Office (see **ADDRESSES** section).

Author

The primary author of this document is Noreen E. Walsh, Oklahoma Ecological Services Field Office (see **ADDRESSES** section).

Authority

The authority for this action is the Endangered Species Act (16 U.S.C. 1532 *et seq.*)

Dated: June 1, 1998.

Jamie Rappaport Clark,

Director, Fish and Wildlife Service.

[FR Doc. 98–15333 Filed 6–8–98; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 660

[Docket No. 980603145–8145–01; I.D. 052998C]

RIN 0648–AL33

Fisheries Off West Coast States and in the Western Pacific; Western Pacific Crustacean Fisheries; Bank/Area-Specific Harvest Guidelines

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS issues this proposed rule that would allocate the 1998 overall harvest guideline of 286,000 lobsters (spiny and slipper combined) in the Northwestern Hawaiian Islands (NWHI) among three individual fishing banks and a fourth combined area. Specifically, under this proposed rule, no more than 70,000 lobsters may be harvested from Necker Island; no more than 20,000 lobsters may be harvested from Gardner Pinnacles; no more than 80,000 lobsters may be harvested from Maro Reef; and no more than 116,000 lobsters may be harvested from all the other remaining NWHI banks combined within Crustaceans Permit Area 1. This rule is intended to protect the lobster resources at each fishing ground, to provide better data on stocks, and to conserve the resource.

DATES: Written comments must be received by June 24, 1998.

ADDRESSES: Written comments should be sent to, and copies of the initial regulatory flexibility analysis (IRFA) and environmental assessment are available from, Kitty Simonds, Executive Director, Western Pacific Fishery Management Council, 1164 Bishop St., Suite 1400, Honolulu, HI 96813.

FOR FURTHER INFORMATION CONTACT: Kitty Simonds at (808) 522–8220 or Alvin Katekaru, Fishery Management Specialist, Pacific Islands Area Office, NMFS, at (808) 973–2985.

SUPPLEMENTARY INFORMATION: Under the framework procedures of the Fishery Management Plan for the Crustaceans Fisheries of the Western Pacific Region (FMP) and its implementing regulations (50 CFR 660.53), the Council, at its 96th meeting, requested that the Southwest Regional Administrator, NMFS (Regional Administrator) initiate a

rulemaking to establish bank/area-specific harvest guidelines, as described above, specifically for Necker Island, Gardner Pinnacles, Maro Reef, and the General NWHI Lobster Grounds. This proposed rule would establish harvest guidelines for four lobster grounds in the NWHI crustacean fishery as follows: No more than 70,000 lobsters may be harvested from Necker Island; no more than 20,000 lobsters may be harvested from Gardner Pinnacles; no more than 80,000 lobsters may be harvested from Maro Reef; and no more than 116,000 lobsters may be harvested from all the other remaining NWHI banks combined. These proposed allocations are based on a total 1998 NWHI-wide harvest guideline of 286,000 lobsters for the 1998 fishery as determined by the Regional Administrator. The overall harvest guideline of 286,000 lobsters (spiny and slipper combined) was published in the **Federal Register** on June 3, 1998 (63 FR 30147).

Once a bank/area-specific harvest guideline is reached or projected to be reached, the Regional Administrator would announce, at least 24 hours in advance, closure of that bank or area via electronic communication to each of the vessels participating in the 1998 fishery. The entire NWHI lobster fishery would close when the fourth bank or area is closed. All lobster harvested by vessels not carrying a vessel monitoring system (VMS) unit must be landed within a specified period following closure of the fishery as provided by current regulations (50 CFR 660.50).

The Council recommended the four bank/area-specific allocations following review and discussion, including impacts, of three alternatives: (1) Partial bank-specific harvest guidelines (four lobster grounds), the preferred alternative; (2) full bank-specific harvest guidelines (11 of the 14 lobster grounds for which exploitable population estimates are available); and (3) no action (NWHI-wide fishing area). The Council concluded that the preferred alternative would best meet the management objectives of the FMP because it would promote broader distribution of fishing effort among the banks of the NWHI, which should enhance resource conservation and help prevent local bank depletion. This action would provide more information about the lobster resource in the NWHI because fishing effort would be distributed more widely than in the past several years. This information, combined with a NMFS scientific data collection/observer program, should result in more effective management of the fishery. Most importantly, the proposed allocations would respond to the concern that unless lobster harvest at Necker Island, Gardner Pinnacles, and Maro Reef is limited, the lobster populations in these areas may be at risk.

The actions proposed in this rule would only be in effect from July 1, 1998, through December 31, 1998.

Classification

This proposed rule has been determined to be not significant for the purposes of E.O. 12866.

The Council prepared an IRFA as part of the regulatory review process, which describes the impact this proposed rule would have on small entities. The proposed rule would apply to the 12 permit holders who own the 15 vessels in this fishery; however, only 5 vessels are expected to participate in the 1998 lobster fishery. All participants in the fishery are small business entities. No new reporting or recordkeeping requirements would be imposed by this proposed rule. No Federal rules are known to duplicate, overlap, or conflict with this rule. The reasons for, objectives of, and legal basis for this rule are described elsewhere in this preamble. The three alternative actions are analyzed in the IRFA. While participants would incur increased costs in 1998 for compliance (e.g., additional fuel and transportation costs), the proposed action should result in long-term economic benefits to the fishery if the resource increases with improved fisheries management. A copy of the IRFA is available for public review and comment (see **ADDRESSES**).

List of Subjects in 50 CFR Part 660

Administrative practice and procedure, American Samoa, Fisheries, Fishing, Guam, Hawaiian Natives, Indians, Northern Mariana Islands, Reporting and recordkeeping requirements.

Dated: June 3, 1998.

David L. Evans,

Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 660 is proposed to be amended as follows:

1. The authority citation for part 660 continues to read as follows:

PART 660 - FISHERIES OFF WEST COAST STATES AND IN THE WESTERN PACIFIC

Authority: 16 U.S.C. 1801 *et seq.*

2. Section 660.12 is amended by adding a definition of ''Lobster grounds'', in alphabetical order, to read as follows:

§ 660.12 Definitions.

* * * * *

Lobster grounds refers, singularly or collectively, to the following four areas in Crustaceans Permit Area 1 that shall be used to manage the 1998 lobster fishery:

(1) *Necker Island Lobster Grounds*— waters bounded by straight lines connecting the following coordinates in the order presented: 24°00′ N. lat., 165°00′ W. long.; 24° 00′ N. lat., 164° 00′ W. long.; 23° 00′ N. lat., 164° 00′ W. long.; and 23° 00′ N. lat., 165° 00′ W. long.

(2) *Gardner Pinnacles Lobster Grounds*— waters bounded by straight lines connecting the following coordinates in the order presented: 25° 20′ N. lat., 168° 20′ W. long.; 25° 20′ N. lat., 167° 40′ W. long.; 24° 20′ N. lat., 167° 40′ W. long.; and 24° 20′ N. lat., 168° 20′ W. long.

(3) *Maro Reef Lobster Grounds*— waters bounded by straight lines connecting the following coordinates in the order presented: 25° 40′ N. lat., 171° 00′ W. long.; 25° 40′ N. lat., 170° 20′ W. long.; 25° 00′ N. lat., 170° 20′ W. long.; and 25° 00′ N. lat., 171° 00′ W. long.

(4) *General NWHI Lobster Grounds*— all waters within Crustaceans Permit Area 1 except for the Necker Island, Gardner Pinnacles, and Maro Reef Lobster Grounds.

* * * * *

3. Section 660.42 is amended by adding new paragraphs (a)(1)(vi) and (a)(13), to read as follows:

§ 660.42 Prohibitions.

* * * * *

(a) * * *

(1) * * *

(vi) In a lobster grounds after closure of that grounds as specified in § 660.50(b).

* * * * *

(13) Possess, on a fishing vessel that has a limited access permit issued under this subpart, any lobster trap in a lobster grounds that is closed under § 660.50(b), except if the vessel is operating a VMS unit certified by NMFS.

* * * * *

4. Section 660.48 is amended by suspending paragraph (a)(7) and by adding a new paragraph (a)(10), to read as follows:

§ 660.48 Gear restrictions.

(a) * * *

(10) A vessel whose owner has a limited access permit issued under this subpart and has an operating VMS unit certified by NMFS may transit the Crustaceans Permit Area 1, including the Crustaceans Permit Area 1 VMS

Subarea, with lobster traps on board for the purpose of moving to another lobster grounds or returning to port following the closure date, as specified in § 660.50, providing the vessel does not stop or fish and is making steady progress to another lobster grounds or back to port as determined by NMFS.

* * * * *

5. Section 660.50 is amended by suspending paragraph (b)(4) and by adding new paragraphs (b)(5) through (b)(8) to read as follows:

§ 660.50 Harvest limitation program.

* * * * *

(b) * * *

(5) For the 1998 fishing season, the following harvest guidelines apply to the four lobster grounds in Crustaceans Permit Area 1:

(i) No more than 70,000 lobsters may be harvested from the Necker Island Lobster Grounds;

(ii) No more than 20,000 lobsters may be harvested from the Gardner Pinnacles Lobster Grounds;

(iii) No more than 80,000 lobsters may be harvested from the Maro Reef Lobster Grounds; and

(iv) No more than 116,000 lobsters may be harvested from the General NWHI Lobster Grounds.

(6) The Regional Administrator, Southwest Region, NMFS, shall determine, on the basis of the information reported to NMFS by the operator of each vessel fishing, when the harvest guideline for each lobster grounds will be reached.

(7) Notice of the date when the harvest guideline for a lobster grounds is expected to be reached, and specification of the closure date of the lobster grounds, will be provided to each permit holder and/or operator of each permitted vessel at least 24 hours in advance of the closure. After a closure, the harvest of lobster in that lobster grounds is prohibited, and the possession of lobster traps on board the vessel in that lobster grounds is prohibited unless allowed under § 660.48(a)(10).

(8) With respect to the notifications in paragraphs (b)(3) and (b)(7) of this section, NMFS shall provide each permit holder and operator of each permitted vessel with the following information, as appropriate:

(i) Determination of when the over-all harvest guideline for Crustaceans Permit Area 1 will be reached;

(ii) Closure date after which harvest of lobster or possession of lobster traps on board the vessel in a lobster grounds is prohibited;

(iii) Closure date after which the possession of lobster traps on board the vessel in Crustaceans Permit Area 1 is prohibited by any permitted vessel that is not operating a VMS unit certified by NMFS; and

(iv) Specification of when further landings of lobster will be prohibited by permitted vessels not using VMS units certified by NMFS.

* * * * *

[FR Doc. 98–15299 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–22–F

Notices

Federal Register
Vol. 63, No. 110
Tuesday, June 9, 1998

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF COMMERCE

Bureau of Export Administration

President's Export Council, Subcommittee on Encryption; Notice of Partially Closed Meeting

A partially closed meeting of the President's Export Council Subcommittee on Encryption (PECSENC) will be held on June 22nd, 1998. The initial open session will convene at 9:00 a.m. in Hemisphere A of the Ronald Reagan Building, 1300 Pennsylvania Avenue, NW, Washington, DC. The initial open session is scheduled to adjourn at 11:00 a.m. The closed session will convene in Hemisphere A and continue at the U.S. Department of Commerce, Herbert C. Hoover Building, Room 4832, 14th Street between Pennsylvania and Constitution Avenues, NW, Washington, DC. The PECSENC will reconvene in open session at 4:00 p.m. in Room 4832. The Subcommittee provides advice on matters pertinent to policies regarding commercial encryption products.

Open Session

1. Opening remarks by the Chairman.
2. Presentation of papers or comments by the public.
3. Update on Bureau of Export Administration initiatives.
4. Legislative Panel briefing.

Closed Session

5. Discussion of matters properly classified under Executive Order 12958, dealing with the U.S. export control program and strategic criteria related thereto.

Open Session

6. Briefing by working groups.
7. Open discussion.

A Notice of Determination to close meetings, or portions of meetings, of the Subcommittee to the public on the basis of 5 U.S.C. 522(c)(1) was approved May 7, 1998, in accordance with the Federal Advisory Committee Act. A copy of the Notice of Determination is available for public inspection and copying in the Central Reference and Records Inspection Facility, Room 6020, U.S. Department of Commerce, Washington, DC. For further information, contact Ms. Lee Ann Carpenter on (202) 482–2583.

Dated: June 3, 1998.

Iain S. Baird,

Deputy Assistant Secretary for Export Administration.

[FR Doc. 98–15281 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–33–M

DEPARTMENT OF COMMERCE

International Trade Administration

User Satisfaction Surveys; Proposed Collection; Comment Request

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burdens, invites the general public and other Federal agencies to take this opportunity to comment on the continuing information collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before August 10, 1998.

ADDRESSES: Direct all written comments to Linda Engelmeier, Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 14th & Constitution Avenue, NW, Washington, DC 20230. Phone number: (202) 482–3272.

FOR FURTHER INFORMATION CONTACT: Request for additional information or copies of the information collection instrument and instructions should be directed to: Jana Nelhybel, U.S. & Foreign Commercial Service, Export Promotion Service, Room 2202, 14th & Constitution Avenue, NW, Washington, DC 20230. Phone number: (202) 482–5367, and fax number (202) 482–5362.

SUPPLEMENTARY INFORMATION:

I. Abstract

The International Trade Administration (ITA) provides a multitude of export promotion programs to help U.S. businesses. These programs include information products, services, and trade events. To accomplish its mission effectively, ITA needs ongoing feedback on its programs. This information collection item allows ITA to solicit clients' opinions about the use of ITA products, services, and trade events. The information is used for program improvement, strategic planning, allocation of resources, and performance measures.

The surveys are part of ITA's effort to implement objectives of the National Performance Review (NPR) and Government Performance and Results Act (GPRA). Responses to the surveys will meet the needs of ITA performance measures based on NPR and GPRA guidelines. These performance measures will serve as a basis for justifying and allocating human and financial resources.

Survey responses will acquaint ITA managers with firms' perceptions and assessments of export-assistance products and services. Also, the survey will enable ITA to track the performance of overseas posts. This information is critical for improving the programs.

Survey responses are used to assess client satisfaction, assess priorities, and identify areas where service levels and benefits differ from client expectations. Clients benefit because the information is used to improve services provided to the public. Without this information, ITA is unable to systematically determine client perceptions about the quality and benefit of its export-promotion programs.

II. Method of Data Collection

ITA faxes, mails or telephones surveys to clients.

III. Data

OMB Number: 0625–0217.

Form Number: ITA–4108P–A1, ITA–4110P, etc.

Type of Review: Revision-regular submission.

Affected Public: ITA clients that purchased products and services.

Estimated Number of Respondents: 32,312.

Estimated Time Per Response: Range from 05–60 minutes.

Estimated Total Annual Burden Hours: 5,444.

Estimated Total Annual Costs: The estimated annual cost for this collection is $326,640.00 ($190,540.00 for respondents and $136,100.00 for the federal government).

IV. Request for Comments

Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and costs) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: June 3, 1998.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 98–15293 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–FP–P

DEPARTMENT OF COMMERCE

International Trade Administration

Information Services Order Form; Proposed Collection; Comment Request

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burdens, invites the general public and other Federal agencies to take this opportunity to comment on the continuing information collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before August 10, 1998.

ADDRESSES: Direct all written comments to Linda Engelmeier, Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 14th & Constitution Avenue, NW, Washington, DC 20230. Phone number: (202) 482–3272.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to: Brenda Coleman, U.S. & Foreign Commercial Service, Export Promotion Service, Room 2202, 14th & Constitution Avenue, NW, Washington, DC 20230. Phone number: (202) 482–2505, and fax number (202) 482–4433.

SUPPLEMENTARY INFORMATION:

I. Abstract

The U.S. & Foreign Commercial Service (US&FCS) Export Assistance Centers offer their clients DOC programs, market research, and services to enable the client to begin exporting or to expand existing exporting efforts.

The Information Services Order Form is used by US&FCS trade specialists in the Export Assistance Centers to collect information about clients in order to determine which programs or services would best help clients meet their export goals. This form is required for clients to order US&FCS programs and services. Certain programs are tailored for individual clients, e.g., the Agent Distributor Service, which identifies potential overseas agents or distributors for a particular U.S. manufacturer.

The form is being revised because some of the product names have changed or have been discontinued.

II. Method of Data Collection

Trade specialists gather information from clients at the Export Assistance Centers.

III. Data

OMB Number: 0625–0143.

Form Number: ITA–4096P.

Type of Review: Revision-Regular submission.

Affected Public: Companies interested in ordering export promotion products or services.

Estimated Number of Respondents: 2,675.

Estimated Time Per Response: Range from 5 to 60 minutes.

Estimated Total Annual Burden Hours: 483 hours.

Estimated Total Annual Costs: The estimated annual cost for this collection is $122,750.00 ($16,852.00 for respondents and $105,898.00 for federal government).

IV. Request for Comments

Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and costs) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: June 3, 1998.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 98–15294 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–FP–P

DEPARTMENT OF COMMERCE

International Trade Administration

Mission/Exhibition Evaluation; Proposed Collection; Comment Request

SUMMARY: The Department of Commerce (DOC), as part of its continuing effort to reduce paperwork and respondent burdens, invites the general public and other Federal agencies to take this opportunity to comment on the continuing information collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before August 10, 1998.

ADDRESSES: Direct all written comments to Linda Engelmeier, Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 14th & Constitution Avenue, NW, Washington, DC 20230. Phone number: (202) 482–3272.

FOR FURTHER INFORMATION CONTACT: Request for additional information or copies of the information collection instrument and instructions should be directed to: John Klingelhut, U.S. & Foreign Commercial Service, Export Promotion Services, Room 2810, 14th & Constitution Avenue, NW, Washington, DC 20230; Phone number: (202) 482–4403, and fax number: (202) 482–0872.

SUPPLEMENTARY INFORMATION:

I. Abstract

DOC and DOC-certified trade missions and exhibitions are overseas events planned, organized and led by government and non-government export promotion agencies such as industry trade associations; agencies of Federal, State, and local governments; chambers of commerce; regional consortia; and other export-oriented groups. This form is used to: (1) evaluate the effectiveness of DOC or DOC-certified overseas trade events through the collection of information relating to required performance measures; (2) document the results of participation in DOC

events; (3) evaluate results reported by small to mid-sized, new-to-export/new-to-market U.S. companies; (4) document the successful completion of trade promotion activities conducted by overseas DOC offices; (5) identify strengths and weaknesses of DOC trade promotion programs, in the interest of improving service to the U.S. business community.

II. Method of Collection

Form ITA–4075P is completed on-site, at the end of an overseas mission or exhibition, by participating U.S. firms. Applicant firms complete the form and forward it to the Department of Commerce exhibition manager at the close of the event upon request.

III. Data

OMB Number: 0625–0034.
Form Number: ITA–4075P.
Type of Review: Revision-Regular Submission.
Affected Public: Companies applying to participate in Commerce Department trade promotion events.
Estimated Number of Respondents: 2,000.
Estimated Time Per Response: 5 minutes.
Estimated Total Annual Burden Hours: 167 hours.
Estimated Total Annual Costs: The estimated annual cost for this collection is $5,100.00 ($2,100.00 for respondents and $3,000.00 for federal government).

IV. Request for Comments

Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and costs) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: June 2, 1998.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 98–15295 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–FP–P

DEPARTMENT OF COMMERCE

International Trade Administration

Certified Trade Mission: Application for Status; Proposed Collection; Comment Request

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burdens, invites the general public and other Federal agencies to take this opportunity to comment on the continuing information collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506(c) (2) (A)).

DATES: Written comments must be submitted on or before August 10, 1998.

ADDRESSES: Direct all written comments to Linda Engelmeier, Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 14th & Constitution Avenue, NW, Washington, DC 20230. Phone number: (202) 482–3272.

FOR FURTHER INFORMATION CONTACT: Request for additional information or copies of the information collection instrument and instructions should be directed to: John Klingelhut, U.S. & Foreign Commercial Service, Export Promotion Services, Room 2810, 14th & Constitution Avenue, NW, Washington, DC 20230; Phone number: (202) 482–4403, and fax number: (202) 482–0872.

SUPPLEMENTARY INFORMATION:

I. Abstract

Certified Trade Missions are overseas events planned, organized and led by government and nongovernment export promotion agencies such as industry trade associations; agencies of Federal, State and local governments; chambers of commerce; regional groups and other export-oriented groups. The Certified Trade Missions-Application for status form is the vehicle by which mission organizers apply, and if accepted agree, to participate in the Department of Commerce's (DOC) mission certification program, identify the products or services that participating firms intend to sell or promote, and describe the proposed mission. This submission only renews use of the form, no changes are being made. This form is used to: (1) collect information about the products/services that participating companies wish to export; (2) provide basic information about the purpose, scope and time frame of the proposed mission to enable DOC to determine whether or not to support or 'certify' the mission.

II. Method of Collection

Form ITA–4127P is sent by request to U.S. firms. Applicant firms complete the form and forward it to the Department of Commerce to initiate the mission certification process.

III. Data

OMB Number: 0625–0215.
Form Number: ITA–4127P.
Type of Review: Regular.
Affected Public: Companies applying to participate in Commerce Department certified trade promotion events.
Estimated Number of Respondents: 60.
Estimated Time Per Response: 1 hour.
Estimated Total Annual Burden Hours: 60 hours.
Estimated Total Annual Costs: The estimated annual cost for this collection is $5,100.00 ($2,100.00 for respondents and $3,000.00 for federal government).

IV. Request for Comments

Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and costs) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: June 2, 1998.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 98–15296 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–FP–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–337–803]

Notice of Final Determination of Sales at Less Than Fair Value: Fresh Atlantic Salmon From Chile

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 9, 1998.

FOR FURTHER INFORMATION CONTACT: Gabriel Adler or Kris Campbell, Office of AD/CVD Enforcement 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–1442 or (202) 482–3813, respectively.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to Department of Commerce (the Department) regulations refer to the regulations last codified at 19 CFR part 353 (April 1, 1997).

Final Determination

We determine that fresh Atlantic salmon from Chile is being sold, or is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins are shown in the *Continuation of Suspension of Liquidation* section of this notice.

Case History

The preliminary determination in this investigation was issued on January 8, 1998. *See Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Fresh Atlantic Salmon from Chile,* 63 FR 2664 (January 16, 1998) (*Preliminary Determination*). Since the preliminary determination, the following events have occurred.

In February and March 1998, we conducted on-site verifications of the questionnaire responses submitted by Aguas Claras S.A. (Aguas Claras), Cia. Pesquera Camanchaca S.A. (Camanchaca), Pesquera Eicosal Ltda. (Eicosal), Pesquera Mares Australes Ltda. (Mares Australes), and Marine Harvest Chile (Marine Harvest)(collectively, ''the respondents'').

On April 17, 1998, we received case briefs from the Coalition for Fair Atlantic Salmon Trade (the petitioners) and, on behalf of the respondents, the Association of Chilean Salmon and Trout Producers (the Association). On April 23, 1998, we received rebuttal briefs from the same parties. We held a public hearing on April 28, 1998.

Scope of Investigation

The scope of this investigation covers fresh, farmed Atlantic salmon, whether imported ''dressed'' or cut. Atlantic salmon is the species Salmo salar, in the genus Salmo of the family salmoninae. ''Dressed'' Atlantic salmon refers to salmon that has been bled, gutted, and cleaned. Dressed Atlantic salmon may be imported with the head on or off; with the tail on or off; and with the gills in or out. All cuts of fresh Atlantic salmon are included in the scope of the investigation. Examples of cuts include, but are not limited to: crosswise cuts (steaks), lengthwise cuts (fillets), lengthwise cuts attached by skin (butterfly cuts), combinations of crosswise and lengthwise cuts (combination packages), and Atlantic salmon that is minced, shredded, or ground. Cuts may be subjected to various degrees of trimming, and imported with the skin on or off and with the ''pin bones'' in or out.

Excluded from the scope are (1) fresh Atlantic salmon that is ''not farmed'' (*i.e.,* wild Atlantic salmon); (2) live Atlantic salmon; and (3) Atlantic salmon that has been subject to further processing, such as frozen, canned, dried, and smoked Atlantic salmon, or processed into forms such as sausages, hot dogs, and burgers.

The merchandise subject to this investigation is classifiable as item numbers 0302.12.0003 and 0304.10.4093 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS statistical reporting numbers are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Period of Investigation

For all companies, the period of investigation (POI) corresponds to each respondent's four most recent fiscal quarters prior to the month of the filing of the petition (June 1996). For four of the five respondents, the POI is April 1, 1996, through March 31, 1997. The remaining respondent, Marine Harvest, has a different fiscal period. The POI for this company is March 24, 1996, through March 22, 1997.

Fair Value Comparisons

To determine whether sales of fresh Atlantic salmon from Chile to the United States were made at less than fair value, we compared the export price (EP) or constructed export price (CEP), as appropriate, to the normal value. Our calculations followed the methodologies described in the preliminary determination, except as noted below and in company-specific analysis memoranda dated June 1, 1998, which have been placed in the file.

Export Price and Constructed Export Price

For the price to the United States, we used EP or CEP as defined in section 772 of the Act. We calculated EP and CEP based on the same methodology used in the preliminary determination, with the following exceptions:

Mares Australes

We excluded sales to Canada from the U.S. sales database. See Comment 17.

Marine Harvest

We made an adjustment for accrued rebate expenses to the CEP calculated for one customer. *See* Comment 19.

Normal Value

We used the same methodology to calculate normal value as that described in the preliminary determination, with the following exceptions. For Eicosal, Mares Australes, and Marine Harvest, we determined that the differences between premium and super-premium salmon are so minor as to not warrant separate classification in an antidumping analysis, and considered all such sales to be of premium salmon. *See* Comment 1. With respect to specific respondents' data, we made the following changes:

Aguas Claras

We did not rely on Canadian sales of salmon fillets to calculate normal value for comparison to U.S. sales of fillets. Instead, we compared U.S. sales of fillets to constructed value (CV). *See* Comment 7.

Mares Australes

We made an adjustment to normal value for duty drawback.

Cost of Production

In accordance with section 773(b)(3) of the Act, we calculated the weighted-average cost of production (COP), by model, based on the sum of each respondent's cost of materials, fabrication, general expenses, and packing costs. We relied on the submitted COPs except in the following specific instances where the submitted costs were not appropriately quantified or valued.

Marine Harvest

1. We increased the reported cost of eggs and feed purchased from affiliated parties to reflect market prices. *See* Comment 22.

2. We increased the reported cost of processing performed by an affiliated party to reflect the transfer price. *See* Comment 22.

3. We revised the consolidated financial expense ratio to include exchange losses associated with loans denominated in foreign currencies. *See* Comment 24.

4. We recalculated the general and administrative expense (G&A) ratio to correct certain errors discovered during verification.

Mares Australes

1. We increased the cost of manufacturing (COM) to include the price-level adjustments for harvested salmon which were required by Chilean GAAP. *See* Comment 27.

2. We increased the COM to include bonus expenses. *See* Comment 31.

3. We revised the consolidated financial expense ratio to remove the claimed offset to financial expense for accounts receivable and inventory. *See* Comment 24.

4. We recalculated the G&A expense ratio based on total G&A expenses incurred by the producing entities. *See* Comment 30.

Aguas Claras

1. We increased the COM to include the price-level adjustments for harvested salmon which were required by Chilean GAAP and were recorded in the company's normal books and records. *See* Comment 27.

2. We revised the claimed ''feed cost adjustment'' by amortizing the total amount specified in the contract over the life of the contract. We then allocated the amortized adjustment to individual fish groups based on each group's relative biomass. *See* Comment 36.

3. We excluded from G&A expenses the gains from the sales of common stock investments. Additionally, we included the cost incurred by Sociedad Agricola Rio Rollizo Ltda. (''Rio Rollizo'') which held the marine concession for the Rio Rollizo hatchery. *See* Comment 38.

4. We revised the financial expense ratio to include exchange losses associated with loans denominated in foreign currencies. Additionally, we removed the claimed offset to financial expenses for accounts receivable and inventory. *See* Comment 24.

5. We revised the manner in which we calculated indirect selling expenses for CV so as to add an amount proportionate to the cost of each product, rather than a fixed amount. *See* Comment 40.

Camanchaca

1. We increased the COM to include the price-level adjustments for harvested salmon that were required by Chilean GAAP and were recorded in the company's normal books and records. *See* Comment 27.

2. We revised the consolidated financial expense ratio to include exchange losses. Additionally, we removed the claimed offset to financial expenses for accounts receivable and inventory. *See* Comment 24.

3. We revised the G&A expenses to include the non-operating gains and losses that related to the general operations of the company. Also, we calculated the G&A expense ratio based on total G&A expenses incurred by the company. *See* Comment 33.

Eicosal

1. We increased the COM to include the price-level adjustments for harvested salmon which were required by Chilean GAAP and were recorded in the company's normal books and records. *See* Comment 27.

2. We revised the consolidated financial expense ratio to include exchange losses. Additionally, we removed the claimed offset to financial expenses for holding accounts receivable and inventory. *See* Comment 24.

3. We revised the G&A expenses to include the non-operating gains and losses that related to the general operations of the company. Also, we calculated the G&A expense ratio based on total G&A expenses incurred by the salmon producing company. *See* Comment 29.

Currency Conversions

As in the preliminary determination, we made currency conversions in accordance with section 773A of the Act. The Department's preferred source for daily exchange rates is the Federal Reserve Bank. The Federal Reserve Bank publishes daily exchange rates for Japanese yen, but not for Chilean pesos. In cases involving comparisons to third-country market sales in Japan, which were necessary for three respondents, we made conversions of values denominated in Japanese yen based on the official exchange rates published by the Federal Reserve. For conversions of values involving Chilean pesos, we relied instead on daily exchange rates published by Dow Jones News/Retrieval on-line system. The parties did not comment on these exchange rate methodologies.

Verification

As provided in section 782(i)(1) of the Act, we verified the information submitted by the respondents for use in our final determination. We used standard verification procedures, including examination of relevant accounting and production records, as well as original source documents provided by the respondents. We also met with officials of the Association to discuss its grading standards.

Interested Party Comments

Sales Issues—General

Comment 1: Distinction between ''Premium'' and ''Super-Premium'' Grades.

The petitioners argue that the Department erred in the preliminary determination by accepting as a *bona fide* grade distinction the ''super-premium'' designation adopted by the Association with respect to whole salmon sold to Japan. The petitioners contend that most of the Chilean salmon exported to both the United States and Japan was graded as premium until shortly before the POI. According to the petitioners, the Association's adoption of the super-premium grade in 1996 coincided with active preparations for an impending antidumping petition against salmon from Chile, and was designed to avoid comparisons of low-priced sales of premium-grade salmon to the United States to high-priced sales of the same merchandise to Japan.

The petitioners add that verification revealed that the respondents' classification of premium versus super-premium salmon is based only on very minor differences in the external aspects of the salmon. According to the petitioners, these differences are insignificant, and do not meet the Association's stated criteria for differentiation among premium and super-premium salmon. Further, the petitioners argue that the finding at verification that the super-premium/premium distinction rests primarily on such minor differences in grading is at odds with the respondents' earlier representations that the color of the salmon meat is the principal distinguishing factor between premium and super-premium salmon. The petitioners contend that verification established that: (1) the respondents' premium and super-premium salmon are of uniformly high color, and (2) the respondents do not evaluate the color of salmon during the grading process.

As further evidence that the respondents' grading practices are at odds with the Association's standards, the petitioners note that the records maintained by Marine Harvest (one of the three respondents that export the foreign like product to Japan) do not distinguish even nominally between premium and super-premium salmon. According to the petitioners, Marine

Harvest's invoices, ledgers, and other documentation refer to top-grade Chilean salmon invariably as ''superior,'' regardless of whether the salmon is exported to the United States or to Japan. Moreover, the petitioners argue, the same designations are used by Marine Harvest's Scottish affiliate for sales of Scottish salmon to the United States and Japan, noting that the Scottish standard for superior grade is equivalent to the U.S. standard for premium grade.

The Association responds that the Department confirmed at verification that super-premium and premium salmon are distinct products with different physical characteristics and market values. According to the Association, its super-premium grading criteria were established before the beginning of the POI in order to formalize a long-standing requirement by Japanese customers for salmon with no imperfections. The Association contends that, at verification, the Department observed that the grading criteria were strictly applied and enforced by independent, internationally-recognized quality assurance agencies, and it maintains that the Department confirmed the application of these criteria during the POI.

The Association further asserts that the discernible differences between premium and super-premium salmon are evidenced by the differences in prices obtained for the two grades in the Japanese market. In this respect, the Association notes that Mares Australes, the only respondent to sell both super-premium and premium grade salmon to Japan, reported higher prices for sales of super-premium grade salmon.

With respect to Marine Harvest's recording of the grade of merchandise sold to Japan, the Association claims that, although the Marine Harvest processing plant follows its own separate grading standards for the U.S. and Japanese markets, these standards are consistent with the Association's standards. Thus, even though Marine Harvest's salmon are nominally referred to as being of ''superior'' grade on invoices to both markets, there are discernible physical differences between the merchandise shipped to those markets. Further, the Association argues, the Marine Harvest plant also relies on independent quality certification agencies to rate its compliance with Association grading standards, and the plant received perfect scores in those evaluations in reports corresponding to the POI that were examined at verification.

DOC Position: In the preliminary determination, we tentatively accepted the Association's distinction between premium and super-premium salmon, pending verification and further analysis of this issue. After conducting verification and carefully considering the evidence on the record, we have concluded that any differences between premium and super-premium salmon are so minor as to not warrant separate classification in an antidumping analysis.

At the outset, we note that we are not persuaded by the petitioners' assertion that the Association's adoption of the super-premium grade in 1996 was designed primarily to avoid comparisons, in the event of an antidumping case, of low-priced sales of premium-grade salmon to the United States to high-priced sales of the same merchandise to Japan. We acknowledge that the Association's grading standards and those of some of the individual respondents did include distinct ''premium'' and ''super-premium'' classifications. During verification, we found that quality control inspections at the respondents' plants were supervised by independent certification agencies, which certified the respondents' compliance with the Association's grading standards, and that these standards specified distinct ''premium'' and ''super-premium'' grades. The reports issued by the independent certification agencies during the POI indicated high scores in the category of adherence to these grading standards. See Memorandum from Case Analysts to Gary Taverman, Regarding Inspection of Eicomar Processing Plant (April 7, 1998) (Eicomar Verification Report) at 3–4 and Exhibit P–2; *see also* Memorandum from Case Analysts to Gary Taverman, Regarding Verification of Sales by Marine Harvest (April 7, 1998) (Marine Harvest Sales Verification Report), at 8–9 and Exhibit M–25.

However, the record also contains evidence that the distinctions between the two grades were, in practice, nominal. At the outset of this proceeding, the Association explained that the single most important factor considered by Japanese customers in purchasing fresh Atlantic salmon is the color of the meat. *See* letter from the Association to the Department of Commerce (November 3, 1997) (alleging particular market situation in Japan) at 14. Both the Association standards and the respondents' individual standards require higher meat color for super-premium salmon than for premium salmon. *See* letter from the Association to the Department of Commerce (October 10, 1998) at Attachment 1 (transmitting Association standards); *see also* letter from Mares Australes to the Department of Commerce (November 3, 1997) (Mares Australes Section A and B Questionnaire Response) at 19–20; and letter from Eicosal to the Department of Commerce (November 3, 1997) (Eicosal Section A and B Questionnaire Response), at 4. Despite these claims regarding the significance of color in distinguishing the two grades, we found at verification that, in practice, the respondents adjust the feed delivered to the salmon pens so as to ensure a uniformly high red color to the salmon meat for all salmon produced. *See, e.g.,* Eicomar Verification Report at 2. Further, verification established that the respondents do not measure the color of the whole salmon during processing, but rather take an occasional sample to ensure that the fish are of sufficiently high color. *Id.* at 3.[1] Thus, respondents routinely export to the United States salmon that has the same meat color as the salmon exported to Japan and do not consider the criterion (color) that was initially claimed to be of paramount significance in distinguishing super-premium from premium salmon.

The Association argues that, in addition to color, its standards also distinguish among minor external imperfections in the salmon. During the plant tour conducted at verification, Department verifiers observed that there were in fact minor differences between salmon classified as premium and salmon classified as super-premium, such as small scale loss or light lacerations. These minor differences, however, do not establish a different grade of salmon for purposes of our analysis. While the Chilean respondents that sell to both the United States and Japan may sort their harvest based on the premise that Japanese customers are more likely to take notice of a light defect than U.S. customers, such differences are not recognized by the salmon producers of any other nation that exports to Japan. The Norwegian, Scottish, Canadian, and U.S. farmed salmon industries do not recognize any grade higher than ''superior.'' The ''superior'' grade is consistent with the premium grade and permits minor defects.[2] Because the grading standards

[1] Although the Association claims that a shiny blue exterior on a whole salmon is indicative of very red meat color, at verification we found that in practice this was not used as a yardstick to differentiate premium from super-premium salmon: ''According to plant officials, salmon exhibiting a shiny blue exterior will have meat surpassing the Association's standards for color required for premium and super-premium grades.'' *Id.* at 2.

[2] We note that one of the respondents in this investigation, Marine Harvest, has an affiliate in Scotland that produces and exports fresh Atlantic

of ''superior'' salmon recognized by the world's largest salmon farming countries provide for a range of quality (*e.g.*, from zero defects to up to three minor defects) we note that, by definition, there will be some merchandise within this grade with no imperfections, as well as some merchandise that will be closer to the lower end of this range. Nonetheless, all salmon in this range are graded equally (*i.e.*, as ''superior''/''premium''), and are comparable products in the market place.[3]

Finally, regarding the Association's claim that there are price differences in Japan for salmon sold as ''super-premium'' versus that sold as ''premium,'' we note first that, as shown above and in accordance with our practice, our matching criteria are based on the actual physical characteristics of the merchandise. Moreover, even if we were to consider the Association's analysis, it rests entirely on sales made by the one company that made POI sales of both designations to Japan. The pricing of this company's sales of merchandise labeled ''premium,'' which covered only a few months of the POI and involved relatively small quantities, is an insufficient basis on which to find systematic price differences between the two labels, much less to employ a matching methodology based on such differences.

The nominal distinctions noted above do not preclude an apples-to-apples comparison of the salmon sold in the two markets. For this final determination, we have considered that salmon reported as super-premium are in fact of premium grade and have matched such sales to premium-grade salmon sold in the United States, where otherwise appropriate.

Comment 2: Distinction between Vacuum-Packed Fillets and Regular Fillets.

The petitioners argue that the Department erred in preliminarily accepting the respondents' treatment of vacuum-packed fillets and regular fillets as separate forms of merchandise, thereby precluding comparisons of identical merchandise. The petitioners argue that vacuum-packed salmon fillets sold in Japan are identical to regular fillets sold in the United States in every respect except packing, and claim that their prices can be compared after the appropriate adjustment for differences in packing costs.

The petitioners further contend that, in responding to the Department's cost of production questionnaire, Marine Harvest and Eicosal erroneously included vacuum-packing costs in the reported cost of manufacturing of fillets that were vacuum-packed. According to the petitioners, vacuum-packing costs should be regarded as costs of packing for shipment (*i.e.*, the cost of containers incidental to placing the foreign like product in a ready condition for shipment), consistent with section 773(b)(3)(C) of the Act.

In addition, the petitioners argue that the Department incorrectly relied on *Washington Red Raspberry Commission* v. *United States*, 859 F.2d 898, 905 (Fed. Cir. 1988)(*Red Raspberry Commission*) in distinguishing vacuum-packed fillets in the preliminary determination. According to the petitioners, the CAFC ruled in that case that packing can only be considered an integral part of a product if the product could not survive in its natural form without such packing. According to the petitioners, vacuum packing is not necessary to bring salmon fillets to market, as they are regularly wrapped in sheets of plastic, without vacuum packaging. Petitioners argue that, at most, vacuum packing lengthens the shelf-life of a fillet, an advantage that is obviated if the product is quickly consumed.

Finally, petitioners argue that Department practice supports the treatment of vacuum packing as packing costs, rather than as physical differences, citing, *inter alia*, Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan and Tapered Roller Bearings, Four Inches or less in Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews and Revocation in Part of an Antidumping Finding, 61 FR 57629, 57630 (November 7, 1996)(*TRBs from Japan*). Petitioners claim that *TRBs from Japan* stands for the proposition that not comparing identical products that differ only by their packaging would constitute ''an additional matching factor which is unwarranted by the statute.'' *Id.*

The Association responds that the Department correctly determined that vacuum-packed fillets sold in Japan are physically different from fillets sold in the United States and thus cannot be used for comparison. The Association contends that vacuum packing represents a significant additional processing step, akin to smoking or canning, that enhances the shelf life of the product, rather than merely placing the product in a condition ready for shipment. According to the Association, the proper reading of the CAFC's decision in *Red Raspberry Commission* is that packaging is an integral part of the product when it is in effect a part of that product. The Association argues that the Department has consistently followed this rule in other cases, and maintains that the cases cited by petitioners are inapposite.

DOC Position: We agree with the Association. Vacuum packing is not incidental to shipment, but is instead an extra processing step that doubles the shelf life of fresh Atlantic salmon. Such packing is an integral part of the product, and its cost is appropriately included among costs of manufacturing, rather than among costs of packing for shipment.

At the outset of this investigation, after considering the parties' comments with respect to vacuum packing, we recognized the distinction between regular fillets and vacuum-packed fillets, and instructed the respondents to treat these as separate forms. *See Antidumping Questionnaire* at B–6 and C–6 (August 26, 1997). The respondents appropriately included the cost of vacuum packing in the costs of manufacturing, and included the cost of Styrofoam boxes and cooling materials as packing materials.

The cases cited by the petitioners do not require a different result. In those cases, the issue was whether products sold individually could be compared to groupings of products, or to bulk sales. *See, e.g., Final Determination of Sales at Less Than Fair Value: Fresh Cut Roses from Ecuador*, 60 FR 7019, 7022 (February 6, 1995)(*Roses from Ecuador*)(noting that roses are not transformed by virtue of being bunched or placed in a bouquet); *see also TRBs from Japan*, 61 FR 57629, 57630 (November 7, 1996)(noting that bearing cups or cones sold individually could be compared to package sets); and *Gray Portland Cement and Clinker from Mexico: Final Results of Antidumping Duty Administrative Review*, 63 FR

salmon to Japan. At verification, we reviewed the grading standards followed by Scottish producers, and found that the highest-quality salmon produced by those producers is graded as ''superior.'' The ''superior'' standard allows for light defects, and is comparable to the Chilean ''premium'' standard. See Marine Harvest Sales Verification Report at 13 and Exhibit M–24. Further, we found that invoices for Marine Harvest's sales of Chilean salmon and invoices for the Scottish affiliate's sales of Scottish salmon refer to salmon sold in Japan as ''superior'' salmon, and do not distinguish the two in any manner.

[3] While the Association's ''super-premium'' specification for fresh Atlantic salmon does not tolerate any defects in the fish, the Association has no such standard for other types of salmon, such as coho salmon. Thus, by the Association's own standards, a range of small defects is generally permissible for a variety of different types of fish sold in Japan. The respondents have not demonstrated that fresh Atlantic salmon is so unique to Japanese customers in comparison with other salmon that a heightened quality standard is required for this particular type of salmon.

12764, 12777 (March 16, 1998)(*Cement from Mexico*)(noting that bagged cement and bulk cement are identical except in packaging, and could be compared). In the instant case, the issue is not whether fillets sold individually should be compared to fillets sold by the box, or to fillets sold in bulk quantities. Rather, it is whether the product is transformed by vacuum packing, such that the packing becomes an integral part of the product.

In *Red Raspberry Commission*, the CAFC found that packing of raspberries is an integral part of the product, stating that the cardboard containers are necessary for the very survival of the merchandise. The CAFC held that, because the packing was an integral part of the product, it was properly included in the cost of manufacturing rather than treated as packing for shipment. However, the ruling does not suggest that packing that otherwise transforms the physical properties of a product cannot also be considered an integral part of the product. In significantly extending the shelf life of a fillet, the vacuum packing transforms the product. We also note that the vacuum-packing process extends the shelf life not only by the packaging itself but also by other aspects of the vacuum-packing process, such as the use of ethyl alcohol, which significantly lowers the bacteria count of the salmon relative to salmon that is not vacuum packed. For these reasons, we have continued to regard regular fillets and vacuum-packed fillets as separate forms of fresh Atlantic salmon.

Comment 3: Averaging of Prices for Comparison to CV.

The Association contends that the Department erred in the preliminary determination by comparing U.S. prices that were averaged by form, grade, and weight band to CVs that, due to the nature of the product, essentially do not vary except by form. The Association claims that salmon of different grades and weight bands have distinct physical differences resulting from natural variation in salmon populations, rather than from differences in production inputs or techniques. According to the Association, while the cost of production of a particular form of salmon (*e.g.*, salmon fillets) may be the same regardless of differences in grades and weight bands, such differences affect the market value and selling price of salmon. The Association argues that, to make an apples-to-apples comparison, the Department should average all U.S. sales prices by form only and not by grade or weight band, such that a form-specific price is compared to a form-specific CV.

According to the Association, the Department's practice in cases involving flowers and roses supports such an approach. The Association states that, in the *Flowers* cases (*e.g.,Certain Fresh Cut Flowers from Colombia: Final Results of Antidumping Administrative Review*, 55 FR 20491, 20496 (May 17, 1990) (*Certain Fresh Cut Flowers from Colombia*)(Comment 19)), the respondents were able to provide only an average cost for each type of flower, rather than a unique cost for each unique variety within the particular flower type. Under these facts, the Association contends, the Department found it appropriate to compare an average price for each flower type to the average CV of that flower type. Similarly, in the *Roses* cases (*e.g., Fresh Cut Roses from Colombia*, 60 FR 6980, 6990 (February 6, 1995) (Comment 5)), where the Department had the same cost for different rose types, the Department averaged the prices of roses across types prior to comparison to CV. The Association argues that there is no material difference in the fact pattern of the flowers cases compared to the fact pattern of this investigation. According to the Association, failure to conduct price-to-CV comparisons on a form-average basis in this case would violate not only the statutory requirement for a fair comparison, but also violate the fair-comparison requirements imposed by the GATT/WTO. The Association also argues that such a methodology would run counter to the findings of a GATT panel with respect to the LTFV investigation of salmon from Norway.

The petitioners respond that the antidumping statute directs price-to-CV comparisons to be based on the prices and costs of each unique product, as defined by the physical characteristics of those products. According to the petitioners, the respondents could have reported costs of production specific to different weight bands and grades, but opted not to do so. Specifically, the petitioners argue that the respondents could have attempted to differentiate costs for weight bands based on differences in feed conversion ratios, and for grades based on differences in post-harvest costs. The petitioners argue that it would be inappropriate to correct this deficiency in the respondents' reporting by averaging U.S. prices, since there are price differences corresponding to differences in weight bands and grade.

DOC Position: We disagree with the Association. For the final determination, we have continued to average U.S. prices by form, grade, and weight band.

We accept the Association's contention that, with minor exceptions, each company's recorded costs of the subject merchandise do not vary by grade or weight band. Our examination of the voluminous record evidence concerning this issue, including our verification findings, confirms that the costs as reported reasonably reflect the actual costs of producing each matching group (*i.e.*, each combination of form, grade, and weight band), and that the costs of certain of these matching groups are the same. In this respect, we disagree with the petitioners' arguments that the respondents should have been required to report costs based on methodologies that deviate from their normal accounting practices, e.g., through the use of feed conversion ratios, in order to estimate differences in costs.

With this in mind, when comparing U.S. prices to CV, the Department is charged with determining whether sales are made to the United States at prices below the actual cost of production. The CAFC has ruled definitively on this issue:

> By its terms, the statute expressly covers actual production costs * * *. The broad language of section 1677b(e) [the CV portion of the statute] does not at any point expressly authorize adjustment of these production costs to account for products of a lower grade or less value.

See IPSCO Inc. v. *United States*, 965 F. 2d, 1056, 1059–1060 (Fed. Cir. 1992)(*IPSCO*).

As in the instant proceeding, *IPSCO* involved merchandise (steel pipe used for oil and gas wells) that varied in grade (prime and limited service) but not in the cost of producing each grade. As with salmon, the same materials, processes, labor, and overhead went into the production of both grades, and buyers purchased both grades ''for the same purpose—''down hole'' use in oil and gas wells.'' *Id.* at 1058. Thus, both grades had the same actual costs:

> Because IPSCO expended the same materials, capital, labor, and overhead for both grades of OCTG, the constructed value of one ton of limited-service pipe necessarily matched the constructed value of one ton of prime pipe.

Id. at 1060.

As with premium salmon, prime-grade pipe was of a higher quality and, as such, commanded a higher price in the marketplace. *Id.* at 1058. In the proceeding underlying the *IPSCO* decision, the Department compared U.S. sales of prime-and limited-service grade pipe to CVs based on the actual costs of each grade, which were identical. There, as here, the respondents objected to this methodology *vis-a-vis* comparisons involving U.S. sales of the lower grade

of merchandise. The CAFC rejected this claim, ruling that the Department had ''calculated constructed value precisely as the statute directs'' in basing CV on the actual cost of production for each grade. *Id.* at 1060.

While making the same complaint as that made by the respondent in *IPSCO*, the respondents in the instant proceeding have proposed a different solution. Rather than arguing for an adjustment to CV, the respondents suggest that the Department average the reported U.S. prices without respect to two of the three matching characteristics (grade and weight band) for comparisons involving CV.

We reject the respondents' proposal for the following reasons. First, no change to either side of the antidumping analysis (EP/CEP and normal value) is necessary because, in accordance with *IPSCO* and with a basic tenet of the dumping law, the Department's methodology in this case properly compares the price of U.S. sales of a given product with the actual costs of that product where normal value is based on CV, without regard to whether that product's actual costs are the same as, or different from, other products under investigation.

Further, the methodological changes proposed by the respondents are inappropriate under the facts of this case to the extent that they conflict with other requirements imposed by the statute and Department practice. Specifically, the proposal to eliminate two of the three matching criteria from our analysis with respect to CV comparisons would reduce the accuracy of that analysis and, depending on the manner employed, would either eliminate price-based matches entirely, or would result in inconsistent matching groups depending on whether a U.S. sale is matched to comparison market sales or to CV.

Pursuant to sections 771(16) and 773(a)(1) of the Act, it is our practice first to match U.S. sales with comparison market sales of the most physically comparable merchandise. We require the matching categories to be as precise as possible in order to effect a meaningful comparison:

> In determining the comparability of sales for purposes of inclusion in a particular average, Commerce will consider factors it deems appropriate, such as the physical characteristics of the merchandise, the region of the country in which the merchandise is sold, the time period, and the class of customer involved.

Statement of Administrative Action accompanying the URAA (SAA) at 842 (emphasis added). Thus, the statute and SAA recognize the importance of developing, under the facts of each case, matching categories that allow for meaningful comparisons, while preventing, to the extent possible, the masking of dumping through overly broad averages. The discretion afforded to the Department by the SAA (to consider such factors as it deems appropriate) reflects the fact that this is arguably the most case-specific aspect of the dumping analysis, depending as it does on the particular characteristics of the product under investigation.

In light of the importance of determining our matching categories, it is our longstanding practice to consider comments submitted by interested parties regarding the relevant matching characteristics of the product under investigation. Early in this proceeding, both parties agreed that form, weight band, and grade were critical physical characteristics of fresh Atlantic salmon. *See letter from the Association to the Department of Commerce, (August 7, 1997);* see also letter from the petitioners to the Department of Commerce (August 7, 1997). Having established these matching categories, we averaged U.S. and comparison market sales of these product groups and made price-to-price matches, where possible. Only where we could not make such matches did we resort to CV. We have based CV on the actual costs of each matching category; where the respondents reported differences in actual costs (*e.g.*, Marine Harvest's reporting of different costs by weight band), we have taken this into account.

Significantly, in arguing that we should eliminate two of the three matching characteristics with respect to CV comparisons, the respondents do not address the fact that, unlike the *Flowers* line of cases, this investigation involves price-to-price matches that were made using matching characteristics (form, grade, and weight band) that the respondents themselves agreed were the defining features of the subject merchandise in terms of our matching groups. Their argument does not address the inconsistency of maintaining one set of averaging and matching characteristics (form, grade, and weight band) for one set of U.S. sales (those for which we are able to find a price-based match), while averaging and matching other U.S. sales (the remainder) according to form alone. The contingency of whether a given U.S. sale has a priced-based match or a CV-based match would not be an appropriate means of determining the averaging methodology for that sale.

When the respondents first raised this issue, it appeared that they would have resolved this inconsistency by eliminating price-based matches altogether for any company that would have any CV matches (all of them). *See* Mares Australes Section A and B Questionnaire Response (November 3, 1997) at 4 (''We suggest that because there are U.S. grades that do not match, the Department reject Japanese sales entirely as the basis for normal value and rely instead upon constructed value.'' (citing *Roses from Colombia, Roses from Equador,* and *Fresh Cut Flowers from Colombia*)).[4] Since the respondents have not addressed in the case briefs how to treat U.S. sales that would otherwise have suitable price-based matches, it is not clear whether the respondents continue to advocate this approach. We note for the record that we also disagree with this proposal, as it would undermine the statutory preference for price-to-price matches, as reinforced by the CAFC's decision in *Cemex* v. *United States,* WL 3626 (Fed. Cir.).

Here again, the analogy to the *Flowers* cases fails, and serves only to illustrate why the SAA explicitly instructs the Department to use its discretion in determining the appropriate matching methodology under the facts of each case. To state the obvious, flowers and salmon are different products that are sold in different markets under different conditions. While we have determined to date in the *Flowers* line of cases that the merchandise and markets involved do not permit reasonable price-based comparisons (due to, for example, the holiday-driven demand patterns in the U.S. market), that is not the case with the merchandise and markets involved in this investigation. It is not appropriate to force such a case-specific finding involving the physical characteristics of flowers, and the selling practices that relate specifically to flowers, onto the matching methodology for fresh Atlantic salmon, thereby effectively eliminating the valid methodology developed early in this case. We would likewise disagree with the concept of averaging U.S. sales that have price-based matches only with respect to form, as this would undermine the precision of our analysis with respect to such sales.

Finally, with respect to the relevance of the 1992 GATT panel report in *United States: Imposition of Antidumping Duties on Imports of Fresh and Chilled Atlantic Salmon from Norway,* we note that the panel's findings were limited, by the panel's

[4] We note that this argument by respondents for rejecting Japanese sales is separate from their argument that we should disregard such sales due to a particular market situation, as addressed in Comment 4, *infra.*

own terms of reference, to the facts of that pre-Uruguay Round proceeding. Moreover, the GATT panel faulted the Department for its lack of an explanation regarding its matching methodology in the Norwegian salmon case:

> While the United States had explained that because of the absence of differences in costs of production between salmon of different weights no separate constructed values for individual weight categories had been calculated, the United States had not put forward any arguments to explain why export prices of individual weight categories had been used in the comparison with the single constructed values. The public notice of the affirmative final determination was also silent on this point.

Id. at. 470.

Unlike the Norway case, we have provided a detailed explanation for our methodology in this respect.

Comment 4: Particular Market Situation in Home Market.

The Association argues that the Department erred in finding that a particular market situation exists in the home market, and disputes the Department's underlying conclusion that the home market is an incidental market consisting of sales of non-export quality salmon. The Association contends that the home market unquestionably passes the statutorily mandated viability test, and that the merchandise sold in that market is within the scope of the investigation. According to the Association, the Department's finding of a particular market situation is based on an unprecedented and extra-statutory consideration of the amounts and percentages of each grade of merchandise sold in the home market, compared to the merchandise sold in the United States. The Association asserts that any such differences can be adjusted for under the Department's normal calculation methodologies, and do not warrant rejection of the home market.

The Association argues that, in the alternative, the Department should also find that a particular market situation exists in the Japanese market. According to the Association, the differences between the salmon sold by the respondents in Japan and that sold in the United States are greater than those between the salmon sold in the home market and that sold in the United States.

The petitioners respond that the Department properly rejected the home market as a comparison market. According to the petitioners, the Department had ample statutory and regulatory authority to make a finding of a particular market situation with respect to the home market, and properly concluded that the Chilean market is incidental to the export-based Chilean salmon industry.

The petitioners further argue that the Japanese market does not present a particular market situation, since any differences between the salmon sold in Japan and that sold in the United States are minor distinctions within export-quality merchandise. The petitioners urge the Department to continue its reliance on the Japanese market as the basis for normal value for the respondents in question.

DOC Position: We agree with the petitioners. The Department's reasons for rejecting the use of the home market were set forth in detail in a memorandum addressing this issue. *See* Memorandum from Case Analysts to Richard Moreland, Regarding Appropriateness of Chilean Market as a Comparison Market (October 17, 1997) (Particular Market Determination Memorandum). As explained in that memorandum, the home market is incidental to the Chilean salmon industry, which is export-oriented. The home market is comprised almost exclusively of salmon graded by the respondents as ''industrial'' or ''reject,'' which the respondents sell locally for drastically reduced prices compared to export merchandise. The perfunctory marketing and distribution of salmon in the home market is consistent with the incidental nature of those sales.

The Association has not raised substantial new arguments in its case brief, and instead has reiterated arguments advanced prior to the preliminary determination. We therefore refer interested parties to our Particular Market Determination Memorandum and to the Memorandum from Gary Taverman to Richard Moreland, Issues Concerning the Preliminary Determination of Sales at Less Than Fair Value (January 8, 1998) (Preliminary Issues Memorandum) for more detailed discussions of the issue.

With respect to the Association's claims regarding the home market, we add only that our verification findings refuted one of the Association's arguments regarding this issue. The Association characterizes the difference between the home market and the United States as one of differences in ''product mix,'' suggesting that the same grades of merchandise are sold in both markets, only in different proportions. This contention has been premised to a large extent on a claim that one of the respondents had exported ''industrial'' grade salmon to the United States, albeit in small quantities, and that this merchandise was identical to that sold in the home market. However, as we found at verification, the U.S. sales in question in fact were not of industrial-grade salmon, but rather of premium-grade salmon that was subject to a post-sale quality claim. The Association now recognizes that these sales were reported improperly. *See* Association rebuttal brief at 54. Thus, the record clearly establishes that the grade of merchandise sold by the respondents in the home market is not exported to the United States or Japan.

We also continue to find that the Japanese market does not present a particular market situation. As explained in our Preliminary Issues Memorandum, the respondents' Japanese market is far from incidental. Moreover, as explained above in response to Comment 1, the premium-grade salmon sold in the United States and the super-premium salmon sold in Japan are essentially the same merchandise. By contrast, as ascertained at verification, the salmon sold in the home market have severe defects. *See* Eicomar Verification Report at 3 (noting ''severe scale loss, greenish outer color, and numerous red spots due to early sexual maturation''); *see also* Marine Harvest Sales Verification Report at 7–8 (noting ''deformed mandibles, greenish-brownish external color, and marked lacerations'').

Comment 5: All-Others Rate.

The Association argues that the Department's exclusion of *de minimis* rates from the calculation of the ''all-others'' rate violates the constitutional due process and equal protection rights of Chilean producers/exporters of subject merchandise and their U.S. importers. According to the Association, exclusion of *de minimis* rates results in an unrepresentative and skewed all-others rate, because the Department limited its investigation to a minority of producers/exporters, did not accept voluntary participation by other firms, and found that the majority of the investigated firms were not dumping. The Association contends that the Court of International Trade (CIT) expressly stated in *Serampore Indus. Pvt. Ltd.* v. *United States Dep't of Commerce*, 696 F. Supp. 665, 668 (Ct. Int'l Trade 1988) (*Serampore*) that where the Department limits the number of firms to be investigated, there is no basis for excluding *de minimis* margins in the calculation of the all-others rate.

The petitioners respond that the Department is bound by the plain language of the antidumping statute to exclude *de minimis* rates from the calculation of the all-others rate. According to the petitioners, *Serampore*

is specific to situations where the Department selects a sample of firms for investigation from among a much larger group of potential respondents. The petitioners note that in this case the Department did not select a sample of firms, but chose instead those exporters accounting for the largest volume of exports to the United States during the POI. The petitioners also point out that the Association specifically requested at the outset of this proceeding that the Department limit its investigation to those producers/exporters accounting for 50 percent of the exports during the POI, and note that those companies investigated account for approximately that figure.

DOC Position: We agree with the petitioners. Section 735(c)(5)(A) of the Act unambiguously directs the Department to exclude ''*any* zero and *de minimis* margins'' from the calculation of the estimated all-others rate (emphasis added). There is no indication in the legislative history of this provision that Congress intended for exceptions to this rule. We therefore have no basis to ignore the Act's clear directive to exclude *de minimis* margins from the calculation of the estimated all-others rate.

Further, as the petitioners note, the Association itself requested that the Department limit its selection of firms to be investigated to those exporters accounting for 50 percent of exports to the United States, in addition to ''a relatively small number of volunteer respondents.'' *See* letter from the Association to the Department of Commerce (August 4, 1997), at 4–6. The Department selected a pool of exporters accounting for very close to that volume of exports, and the Association did not voice its concerns about the implications of limiting the number of respondents with respect to the all-others rate until after the preliminary determination was issued.[5]

Comment 6: Industry Support for the Petition.

The Association argues that the Department should not have initiated this antidumping investigation because the petitioners did not demonstrate sufficient industry support for the petition. The Association claims that the petition identified only U.S. producers of whole salmon, and failed to identify U.S. producers of cuts of fresh Atlantic salmon (''fillet producers''), which were also under the scope of the petition. The Association contends that fillet producers comprise an industry separate from the whole salmon industry.

The Association argues further that, even if these two segments can be considered one industry, such that production from these two segments could be combined in the industry support ratio, the Department should have polled the fillet producer portion of the industry rather than derive an estimate of such production. The Association asserts the following errors in the Department's estimate of fillet production: (1) the calculation inappropriately estimates the size of the fillet producer industry on the basis of the value added in the processing of whole salmon into salmon cuts, rather than on the basis of the total value of the salmon cuts; (2) it focuses only on the basic processing of whole salmon into fillets, ignoring ''higher value-added products,'' such as portions; and (3) it relies on the cost data derived from a single source, rather than from a variety of sources.

The petitioners respond that the Department appropriately determined that there was industry support for the petition on the basis of data in the petition as well as data gathered from external sources. According to the petitioners, the Act does not require polling to determine the domestic industry under such circumstances.

DOC Position: Section 732(c)(4)(E) of the Act provides that, after the administering authority determines that it is appropriate to initiate an investigation, the determination regarding industry support shall not be reconsidered. Therefore, we have not reconsidered our determination regarding industry support. We refer interested parties to our notice of initiation and companion memorandum, which set forth in detail the methodologies followed in establishing industry support. *See Initiation of Antidumping Duty Investigation: Fresh Atlantic Salmon From Chile*, 62 FR 37027, 27028–29 (July 10, 1997).

Sales Issues—Aguas Claras

Comment 7: Use of the Canadian Market as Comparison Market.

The petitioners contend that the Department should reject Aguas Claras' sales to the Canadian market as the basis for normal value for three reasons: (1) the Canadian market is an unimportant market for Chilean salmon exporters as a whole, such that prices to this market are not ''representative'' within the meaning of section 773(a)(1)(B)(ii)(I) of the Act; (2) the particular market situation in Canada renders that market an improper comparison market; and (3) verification findings indicate that the reporting of Canadian fillet sales is unreliable.

The petitioners first argue that prices to Canada are not representative because total Chilean exports of fresh Atlantic salmon to Canada constitute a minuscule percentage of Chile's worldwide exports of that merchandise, *i.e.* Canada is an unimportant market. Citing the preliminary results of the tenth administrative review of *Flowers from Colombia*, 63 FR 5354, 5357 (February 2, 1998), the petitioners claim that the Department recently rejected the use of Canada and Japan as comparison markets where: (1) the Department did not examine all potential respondents, such that the rate for non-selected companies would be based on an average of the rates found for the respondents; and (2) exports to the Canadian market were a small percentage of total exports. The petitioners claim the same facts apply to the instant proceeding.

The petitioners' second argument, that a particular market situation in Canada renders that market an improper comparison market, rests on the following claims: (1) the narrow margin of the five-percent viability determination, which was affected by the timing of Aguas Claras' acquisition of its U.S. affiliate, Bowrain Corp., during the POI; (2) the existence of a high degree of integration in the channels of trade for subject merchandise in the United States and Canada, which, petitioners assert, renders Canada an inappropriate comparison market because it is essentially the same market as the U.S. market; and (3) the recent Canada/Chile free trade agreement, which ended each country's right under the GATT to initiate antidumping proceedings against each other and, according to the petitioners, has rendered Canada a secondary dumping ground.

Finally, the petitioners argue that the Department's verification findings suggest that Aguas Claras' reporting of Canadian market sales of fillets is unreliable and that the Department must resort to CV for such sales.

Aguas Claras responds that there is no reason for rejection of the Canadian market as the basis for normal value. First, with respect to the allegation that

[5] In accordance with section 777A(c)(2) of the Act, the Department limited its investigation to the five largest producers/exporters. However, in limiting its investigation, the Department stated that if a selected respondent failed to cooperate, and companies wishing to be treated separately as voluntary respondents had submitted a response to our antidumping questionnaire, the Department would consider replacing the uncooperative respondent with a voluntary respondent, to be selected based on the order of each company's submission of a written request for investigation as a voluntary respondent. *See* Memorandum from the Team to Richard Moreland, Regarding Selection of Respondents (August 26, 1997), at 6.

the Canadian market is unimportant to the Chilean exporters as a whole such that prices to this market are unrepresentative, Aguas Claras contends that the Department's decision in the tenth review of *Flowers from Colombia* is factually distinguishable because, in the *Flowers* proceedings, the Department has consistently rejected price-based normal values for all respondents. Thus, the respondents argue, the Department's rejection of Japan and Canada as comparison markets in the tenth *Flowers* review was consistent with its general practice in the *Flowers* proceedings. Aguas Claras further argues that the export statistics cited by the petitioners are based on direct exports, and thus mis-classify sales to Canada made through the United States as U.S. sales. According to Aguas Claras, all of its own sales to Canada were made through this route. Therefore, Aguas Claras concludes, there is no basis for a finding that the Canadian market is unimportant.

Second, with respect to the allegation that there is a particular market situation in Canada, Aguas Claras argues that the Canadian market passes the ''bright line'' (five-percent) test for viability, and maintains that no heightened standards should be applied to that market. Aguas Claras adds that the high degree of integration between the U.S. and Canadian salmon markets actually supports the use of Canada as the basis for normal value, because similarities between the two markets support a finding that there is no particular market situation in Canada that would render prices in that market not comparable to U.S. prices.

Finally, with respect to the verification findings cited by the petitioners, Aguas Claras argues that there is no evidence of any price distortions in the Canadian market with respect to fillet sales.

DOC Position: We disagree with the petitioners that the Canadian market is characterized by ''unrepresentative'' prices or by a particular market situation, within the meaning of sections 773(a)(1)(B)(ii)(I) and (II) of the Act. However, we agree with the petitioners that, based on our verification findings, we are unable to match Aguas Claras' POI Canadian sales of fillets, as reported, to its U.S. sales. We have based normal value for such sales on CV.

To address the petitioners' arguments in turn, we first disagree that the Canadian market is characterized by unrepresentative prices. Contrary to the petitioners' assertions, the recent finding in the preliminary results of the tenth review of *Flowers from Colombia* does not compel the rejection of an otherwise viable Canadian market in the instant proceeding. As we state in our response to Comment 3, above, the *Flowers* cases have relied on CV as the sole basis for normal value for each of the past 10 reviews, for a variety of product- and market-specific factors that do not pertain to this investigation (*e.g.*, holiday demand patterns). The unique history of the market-selection determinations made in the *Flowers* and *Roses* cases does not lend itself to broad application of those findings to a salmon respondent that, as verification demonstrated, sells to a viable Canadian market in the same manner, and through the same channels of distribution, as it sells to the U.S. market.

We also disagree with the basis of the petitioners' numerical analysis regarding exports to Canada versus exports to the United States vis-a-vis their ''unrepresentative prices'' argument. As Aguas Claras correctly notes, all of its own sales to Canada were made through its U.S. affiliate in Miami, after entry of the merchandise into the United States. The effect of this distribution pattern is to inflate significantly the apparent volume of exports to the United States, and to deflate the apparent volume of exports to Canada. The size of this distortion of ''direct'' export numbers with respect to the one company whose Canadian sales we are examining is a reasonable indication that the overall export figures provided by the petitioners understate the volume of Chilean fresh Atlantic salmon that is destined for the Canadian market. The Department has not found any statistics establishing the ultimate destination of merchandise exported by the Chilean industry. Therefore, in view of the demonstrated viability of the Canadian market for Aguas Claras, and in the absence of persuasive evidence to the contrary, we have not rejected Canadian sales prices as unrepresentative.

Regarding the petitioners' particular market situation claim, we agree with Aguas Claras that similarities between the U.S. and Canadian markets are not evidence of a particular market situation. As for the contention that Canada has become a secondary dumping ground due to the terms of the Canada/Chile Free Trade Agreement, we note that such trade agreements are not designed to promote dumping, and their mere existence is not evidence of such. In addition, the below-cost test that we have applied to sales made by Aguas Claras in the Canadian market prevents the inclusion of such sales, when made in substantial quantities, in our analysis.

However, we agree with the petitioners' argument that our verification findings call into question the reporting of certain data essential to price-to-price comparisons, specifically with respect to fillets.[6] Although we do not agree that this is sufficient to disregard the Canadian market in its entirety, we have rejected the use of price-based comparisons for fillets, and have instead compared U.S. fillet sales to CV. For sales of whole fish, which are unaffected by the problem involving fillets, we have made price-to-price comparisons where otherwise appropriate. For a detailed explanation of this methodology, *see* Aguas Claras Analysis Memorandum.

Comment 8: Sales by Affiliated Producer/Exporter.

The petitioners argue that Aguas Claras failed to report U.S. sales made by an affiliate, Pesquera Invertec, that produced and exported subject merchandise during the POI. The petitioners state that the existence of these sales was found only at verification, a situation that warrants the application of the facts available to derive the dumping margins on such sales. Noting that the Department obtained the total volume of Pesquera Invertec's U.S. sales at verification, the petitioners argue further that the inclusion of this figure in Aguas Claras' total U.S. sales causes the Canadian market to drop below the Department's viability threshold. The petitioners state that this constitutes another reason for the Department to reject the use of the Canadian market as a comparison market (in addition to the arguments made in Comment 7, above) and compare U.S. prices to CV.

Aguas Claras responds that it has never been affiliated with Pesquera Invertec, and was never required to report that exporter's sales. According to Aguas Claras, Pesquera Invertec was affiliated for part of the POI with Aguas Claras' parent company, Antarfish S.A. (Antarfish), by virtue of their joint control of a salmon processing company. However, Aguas Claras argues, there is no transitive principle of affiliation in the statute, such that Antarfish's affiliation with Pesquera

[6] We cannot address the specifics of the verification finding in this public forum, as a meaningful discussion is only possible by means of reference to business proprietary information. We have addressed the petitioners' argument in a separate memorandum to the file, which will be placed on the official record and served upon parties with access to such information under administrative protective order. *See* Memorandum from the Case Analyst to Gary Taverman, Regarding Analysis of Aguas Claras Data for Final Determination (June 1, 1998)(Aguas Claras Analysis Memorandum).

Invertec would extend to Aguas Claras. Aguas Claras contends that it reported all of its own sales, and those of its affiliates, but was never requested to report the sales of its affiliates' affiliates.

Aguas Claras further argues that even if it were deemed to be affiliated with Pesquera Invertec, there would be no basis for collapsing the two companies and requiring the reporting of the latter's U.S. sales. In this respect, Aguas Claras maintains that the Department collapses affiliated companies only where there is such a high degree of integration between the companies' operations that there is a significant potential for price manipulation. Aguas Claras claims that verification established that, at most, Antarfish was only distantly affiliated with Pesquera Invertec during part of the POI through joint ownership of a processing facility, but that the two companies were not otherwise related. Aguas Claras also states that, prior to the end of the POI, Antarfish fully divested itself of its interests in the processing facility, such that there is no potential for future price manipulation.

Finally, Aguas Claras argues that it could not have provided Pesquera Invertec sales data even if requested to do so, because Antarfish and Pesquera Invertec are involved in a business dispute, and Pesquera Invertec would not have supplied those data. According to Aguas Claras, the application of adverse facts available is only appropriate where a party has demonstrably failed to act to the best of its ability; therefore, it would be inappropriate to penalize Aguas Claras with respect to information that was not within its control.

DOC Position: We disagree with the petitioners that Pesquera Invertec's sales should have been included in Aguas Claras' sales database. Even if we were to assume, *arguendo*, that Aguas Claras was affiliated with Pesquera Invertec for part of the POI, the record does not warrant collapsing these two parties. The Department's practice is to collapse affiliated producers when the companies: (1) have production facilities that are sufficiently similar so that a shift in production would not require substantial retooling; and (2) present a significant potential for the manipulation of price or production. *See* 19 CFR 351.401(f) of the Department's regulations. *See also, Cement From Mexico* at 12774. As detailed below, it would be inappropriate to collapse Aguas Claras and Pesquera Invertec because there is not a significant potential for the manipulation of price or production.

As provided at section 351.401(f)(2) of our regulations, we consider three factors in identifying a significant potential for the manipulation of price or production: (1) the level of common ownership; (2) the extent to which managerial employees or board members of one firm sit on the board of directors of an affiliated firm; and (3) whether operations are intertwined, such as through the sharing of sales information, involvement in pricing and production decisions, etc. In examining these factors as they pertain to a significant potential for manipulation, we consider both actual manipulation in the past and the possibility of future manipulation. See Preamble to Final Regulations, 62 FR 27296, 27346 (May 19, 1997). The preamble underscores the importance of considering the possibility of future manipulation: ''a standard based on the potential for manipulation focuses on what may transpire in the future.'' *Id.* We have, therefore, examined all three factors in light not only of actual manipulation during the POI but also with respect to the possibility of future manipulation.

Applying these criteria to this case, Aguas Claras and Pesquera Invertec do not, and did not during the POI, have common stock ownership or common directors on their respective boards, as confirmed at verification. See Memorandum from Case Analysts to Gary Taverman, Regarding Verification of Sales by Aguas Claras (April 7, 1998) (Aguas Claras Sales Verification Report) at 3 and Exhibits A–15 and A–16. Thus, the first two factors suggest no potential manipulation during the POI or in the future. Regarding the third factor, Aguas Claras' parent company, Antarfish, fully divested itself of its participation in the processing facility it jointly owned with Pesquera Invertec, and ceased any processing of salmon at that plant. Moreover, at verification we reviewed extensive documentation involving arbitration proceedings over a significant business dispute between Pesquera Invertec and Antarfish.

See Aguas Claras Sales Verification Report at 3–4 and exhibit A–15. As for the possibility that Aguas Claras/Antarfish and Pesquera Invertec engaged in price or production manipulation during the POI, we note that only a very small percentage of Aguas Claras/Antarfish's sales of subject merchandise were processed at the facility owned jointly with Pesquera Invertec, and the vast majority of Aguas Claras/Antarfish salmon was processed at Aguas Claras' own plant. Further, as part of our cost verification testing, we reviewed transactions between affiliates and specifically examined whether the company had transactions with Pesquera Invertec. We did not find any such transactions. See Aguas Claras Cost Verification Report at 6 and exhibit B–2. Thus, we did not find evidence that the two companies' operations were significantly intertwined during the POI, or that they shared sensitive business data.

Accordingly, because Aguas Claras and Antarfish share no common stock ownership or board members with Pesquera Invertec, and Antarfish terminated its relationship with Pesquera Invertec during the POI, we find no evidence to suggest a significant possibility for the manipulation of price or production, and we have determined that it would not be appropriate to collapse Aguas Claras and Pesquera Invertec.

Comment 9: CEP Offset.

The petitioners argue that the Department erred in making a CEP offset adjustment to normal value. According to the petitioners, Aguas Claras' U.S. and Canadian sales are made through the same sales affiliate, which performs exactly the same functions for both kinds of sales. The petitioners contend that, in determining the level of trade of U.S. sales, the Department ignored selling functions associated with the U.S. affiliate's CEP selling expenses, and erroneously concluded that the level of trade of Canadian sales was more advanced. The petitioners argue that such a comparison, and the resulting CEP offset adjustment, ignores commercial reality, and that the CIT has rejected such ''automatic'' CEP offset adjustments, citing *Borden et al.* v. *United States,* Slip Op. 98–36 (March 26, 1998).

Aguas Claras responds that the Act explicitly directs the Department to determine the level of trade of CEP sales based on the price as adjusted, *i.e.*, after deducting CEP selling expenses, and to ignore the selling functions associated with those expenses.

DOC Position: We agree with Aguas Claras. As discussed in detail in the preliminary determination, the Act requires us to determine the level of trade of CEP sales without consideration of the selling functions associated with economic activities in the United States. *See Preliminary Determination* at 2670. *See also* section 351.412(c)(ii) of the Department's new regulations (62 FR 27495 and preamble at 27370–27371). Based on this analysis, we continue to find that the level of trade of Canadian sales is more advanced than the level of trade of U.S. sales. Therefore, we have made a CEP offset to normal value. With respect to the petitioners' claim that the CIT recently overturned the

Department's practice of comparing the level of trade of comparison market sales to a constructed level of trade for CEP sales in *Borden et al.* v. *United States,* we note that the Department is in the process of considering the Court's remand order.

Comment 10: Adjustment to Cash Deposit Rate for Re-Exports to Canada.

Aguas Claras argues that its cash deposit rate should be adjusted to account for the fact that it routinely re-exports a portion of its U.S. inventory of salmon to Canada. With respect to such inventory, Aguas Claras states that entries that result in re-exportation are not liable to assessment of antidumping duties, yet U.S. importers must post antidumping cash deposits for all entries into the United States, since there is no way to identify at the time of entry those products that will ultimately be sold to Canada. In view of this, Aguas Claras argues that the Department should lower the cash deposit rate so that the total deposits collected do not exceed the total duties ultimately assessed on sales of subject merchandise. Aguas Claras contends that the Department made such an adjustment in cases involving flowers imported from Colombia, where consignment importers resell a portion of their U.S. inventory to Canada.

Petitioners argue that, given the small size of the Canadian market, there is no guarantee that Aguas Claras will continue to make sales to Canada, and that it would be improper to lower Aguas Claras' calculated deposit rate to account for some hypothetical volume of U.S. entries that might be re-exported to Canada in the future.

DOC Position: We agree with the petitioners that it would be inappropriate to adjust Aguas Claras' cash deposit rate. The cash deposit rate applies to all entries entered into the United States for purposes of consumption. The fact that Aguas Claras made sales to Canada during the POI is not an indicator of the likely volume of future sales, nor a guarantee of any future sales, to that market, particularly in light of the small portion of U.S. imports that were re-exported to Canada. Therefore, it would be inappropriate to reduce the cash deposit rate applicable to all entries of subject merchandise into the United States to account for past re-exportation of subject merchandise to Canada.

The adjustment to cash deposit rates in the *Flowers* cases was made under a materially different fact pattern. In those cases, the Department found that a portion of entries of flowers into the United States are never sold due to perishability problems, and are instead destroyed. Because those products are inherently perishable, and it is reasonable to expect a percentage of entries of those products to go unsold in any given period, the Department found it appropriate to make a reduction to the cash deposit rate. Although the flowers respondents also re-exported a portion of their flowers to Canada, that was not the rationale for the adjustment to the cash deposit rate. *See Certain Fresh Cut Flowers from Colombia* at 20494.

Comment 11: Allegation of Affiliation with Kenbourne International.

Aguas Claras disputes the petitioners' allegation that Aguas Claras and its wholly-owned U.S. sales affiliate, Bowrain Corp., are affiliated with Kenbourne International, the Miami-based company that administers importer sales activities on behalf of Bowrain Corp.[7] With respect to the nature of the relationship between these companies, Aguas Claras states there are no stock relationships or common officers between Aguas Claras/Bowrain Corp. and Kenbourne International. According to Aguas Claras, Bowrain Corp., which is incorporated in Florida but whose officials work for Aguas Claras in Chile, retained Kenbourne International to function as a U.S. consignment agent. Aguas Claras states that Bowrain Corp. has always required Kenbourne International to maintain a separate set of books and records for Aguas Claras sales, and shipments of Aguas Claras' merchandise are never recorded in Kenbourne International's own inventory, so that Bowrain Corp. retains significant control over its sales. Therefore, the respondent contends, Kenbourne International cannot be found to control Bowrain Corp., nor Aguas Claras itself.

In rebuttal, the petitioners argue that, consistent with case precedent involving exporter/agent relationships (*see Final Results of Antidumping Duty Administrative Review: Furfuryl Alcohol from the Republic of South Africa,* 62 FR 61081, 61088 (Nov 14, 1997) (*Furfuryl Alcohol from South Africa*), Kenbourne International should be deemed affiliated with Aguas Claras through an agency relationship. According to petitioners, Kenbourne International is in operational control of all aspects of U.S. imports of Aguas Claras merchandise, and thus is in a position to exercise direction over Aguas Claras.

[7] Aguas Claras' brief responds to allegations with respect to Kenbourne International made by the petitioners prior to the Department's preliminary determination. The petitioners did not reiterate these allegations in their case brief, but, as summarized below, did respond to Aguas Claras' comment in their rebuttal brief.

DOC Position: We agree with Aguas Claras, and have continued to regard Kenbourne International as unaffiliated with Aguas Claras and Bowrain Corp.

Kenbourne International's role in the importation and sale of Aguas Claras' merchandise is that of an unaffiliated consignee. In all significant respects, this role is identical to that played by the consignees of other respondents in this proceeding (*e.g.,* Aquastar, the consignee of Mares Australes). As discussed in detail in the preliminary determination, a consignment relationship alone is not sufficient basis for a finding of affiliation. *See* Preliminary Issues Memorandum at 4.

The record of this investigation does not support the conclusion that the exporter (Aguas Claras) controls the consignee (Kenbourne International), or vice-versa. In *Furfuryl Alcohol from South Africa,* the Department found that the U.S. importer was an agent of the exporter and, therefore, was controlled by the principal/exporter. That is not the case here, as Kenbourne International is a consignee, not an agent (*e.g.,* the two parties do not jointly market subject merchandise to U.S. customers, jointly negotiate prices/sales with U.S. customers, or interact with U.S. customers on product testing and quality control). Therefore, there is no basis on which to conclude that Aguas Claras controls Kenbourne International.

There is also no basis for finding that Kenbourne International controls Aguas Claras. As noted above, Kenbourne International provides essentially the same services to Aguas Claras that unaffiliated consignees perform for the other respondents, and such services do not establish control of the exporter by the consignee. Other than these basic functions, the fact that Kenbourne International maintains a set of books and records on behalf of Bowrain Corp., and deposits revenues from sales of Aguas Claras merchandise into Bowrain Corp.'s bank accounts (after which Kenbourne International cannot access the revenues) is insufficient for a finding of affiliation based on control.

Sales Issues—Eicosal

Comment 12: Affiliation between Eicosal and its Consignee.

The petitioners argue that Eicosal and its consignee, Stolt Sea Farm Inc. (Stolt Inc.), should be considered affiliated parties because Stolt Inc. is in a position to exercise control over Eicosal through the terms of a ''close supplier'' business arrangement.

Eicosal argues that the Department should continue to find, as it did in the preliminary determination, that Eicosal and Stolt Inc. are not affiliated parties.

According to Eicosal, the two parties have no direct or indirect stock ownership in each other, nor do they have a close supplier relationship. Eicosal contends that, even if all of its salmon sales to the United States are made through Stolt Inc., its voluminous sales of salmon to other markets (such as Japan and Brazil) do not involve Stolt Inc. at all.

DOC Position: We agree with the petitioners that Eicosal and Stolt Inc. are affiliated parties, although we base our finding on a different statutory basis from that alleged by the petitioners. Whereas the petitioners allege that the two parties are affiliated by virtue of a close supplier relationship (affiliation via ''control'' as per section 771(33)(G) of the Act), we find that the parties are affiliated by virtue of equity ownership exceeding five percent in accordance with section 771(33)(E) of the Act, and therefore do not reach the issue of affiliation via control.

Stolt Inc. is a wholly-owned subsidiary of Stolt-Nielsen Holdings B.V. (Stolt-Nielsen). This parent company has another wholly owned subsidiary, Stolt Sea Farm Ltda. (Stolt Ltda.), which owns well over five percent of Eicosal's stock. In the preliminary determination, the Department found that this equity relationship was not sufficient to establish affiliation under section 771(33)(E) of the Act. The underlying presumption for this finding was that Stolt Inc. and Stolt Ltda. were separate (albeit affiliated) corporate entities. *See* Preliminary Issues Memorandum at 5 and n.3.

At verification, however, the Department gained a greater understanding of the interrelationship of the Stolt companies, which suggests that Stolt-Nielsen, Stolt Inc., and Stolt Ltda. are effectively a single corporate entity. First, the Department learned that Stolt Ltda. was created for the purpose of allowing Stolt-Nielsen to hold an equity interest in Eicosal. *See* Memorandum from Case Analysts to Gary Taverman re: Verification of Sales made by Pesquera Eicosal Ltda (April 9, 1998) (Eicosal Sales Verification Report) at 4. Second, the Department found that Stolt-Nielsen's operational control over Stolt Inc. (its wholly-owned subsidiary) extended to Stolt-Nielsen's negotiation of the distribution arrangement with Eicosal. See Memorandum from analysts to Gary Taverman re: Verification of Sales Made by Pesquera Eicosal Ltda through Stolt Sea Farm Inc. (April 9, 1998) (Eicosal CEP Sales Verification Report) at 3. Moreover, the distribution arrangement with Eicosal was signed on the same day that Stolt Ltda. purchased its shares in Eicosal, which further indicates the extent of coordination between these companies with respect to their relations with Eicosal. *See* Eicosal Sales Verification Report at 4.

In view of the above, we have determined that the Stolt companies (*i.e.,* Stolt-Nielsen, Stolt Inc. and Stolt Ltda.) effectively constitute a single corporate entity (*i.e.,* a person). For purposes of a dumping analysis, we believe that it is appropriate to view the equity interests of this single corporate entity in other companies *in toto.* Since this entity (of which Stolt Inc. is a part) owns in excess of five percent of Eicosal's stock, we find that Stolt Inc. is affiliated with Eicosal within the meaning of section 771(33)(E) of the Act.[8]

For purposes of this final determination, the finding of affiliation between Eicosal and Stolt Inc. does not preclude the use of the submitted U.S. sales data, since the Department had already requested that Eicosal report U.S. sales based on the prices charged by Stolt Inc. to the first unaffiliated U.S. customer. We note that in calculating CEP for sales made through affiliated parties (as opposed to unaffiliated consignees), the Department normally reduces the CEP by the amount of the actual selling expenses incurred by the affiliate, plus an amount for profit associated with those selling activities. In this case, we do not have such information for Stolt Inc., because the Department regarded Stolt Inc. as an unaffiliated party through the information-gathering stage. We do not believe that it would be appropriate to draw an adverse inference from this, as Eicosal submitted substantial and voluminous information about its relationship with the Stolt companies in its questionnaire responses. (That the Department developed a greater understanding of this relationship at verification does not imply that Eicosal withheld material evidence at the information-gathering of the proceeding.) Therefore, we have relied on the commission charged by Stolt Inc. to Eicosal in lieu of those selling expenses and the profit attributable to those expenses. However, in the event that an antidumping order is issued in this case and that Eicosal's sales become subject to administrative review, the Department will require that Eicosal submit sales data under the presumption that Eicosal and Stolt Inc. are affiliated parties, and will require the reporting of Stolt Inc.'s actual selling expenses.

Comment 13: Ordinary Course of Trade.

Eicosal argues that the Department erred in finding that its sales of vacuum-packed fillets to Japan were made in the ordinary course of trade, and in including these sales in the calculation of CV profit. According to Eicosal, the sales in question involved a small volume of a unique, specialized product, sold over a limited period of time to a single customer. Eicosal disputes the Department's finding in the preliminary determination that these sales were made continuously throughout the POI, contending that there were no shipments of vacuum-packed fillets in March 1997, and adding that all shipments of vacuum-packed fillets ended shortly after the end of the POI.

The petitioners argue that the Department correctly found in its preliminary determination that Eicosal's sales of vacuum-packed fillets were made in the ordinary course of trade, as these sales were made continuously through the POI, involved significant quantities, and were not done on a test basis.

DOC Position: We agree with the petitioners, and continue to find Eicosal's sales of vacuum-packed fillets to have been made in the ordinary course of trade.

Section 773(a)(1)(B) of the Act provides that the Department may use third-country prices as the basis for normal value only where such prices are made in the ordinary course of trade. Prior to the preliminary determination, both Mares Australes and Eicosal argued that their respective sales of vacuum-packed fillets had been made outside the ordinary course of trade. In our preliminary determination, we found that Mares Australes' single sale of that merchandise had been made outside the ordinary course of trade, as the sale had involved a minute quantity of product sold on a test basis. In contrast, we found that Eicosal's sales of vacuum-packed fillets had been made within the ordinary course of trade, as they had been made regularly throughout the POI, and not on a test basis. *See* Preliminary Issues Memorandum at 12.

The objections now raised by Eicosal do not warrant a reversal of our preliminary finding. While sales of vacuum-packed fillets may represent a small percentage of total sales, the absolute amount of these sales (several thousand kilograms) is not insignificant.

[8] The petitioners claim that Stolt Inc. effectively controls Eicosal through their contractual arrangement. We do not find that the contract between the parties *per se* establishes clear evidence of affiliation through control. In any event, the issue is moot as the Department has found the two parties to be affiliated by means of stock ownership.

Also, Eicosal's claim that sales of vacuum-packed fillets were intermittent throughout the POI is not persuasive, since these sales were suspended only for the last month of the period, and resumed a month thereafter. In view of the volume of merchandise involved, the fact that the merchandise was sold regularly throughout the POI, and the lack of evidence that the sales were made on a sample basis, we continue to find that the sales in question were made in the ordinary course of trade.

Comment 14: Advertising Expense.

Eicosal argues that, in the preliminary determination, the Department incorrectly found an advertising expense incurred by Eicosal for its participation in the Japan/Chile centennial celebration to be a general promotional expense, and treated it as an indirect selling expense. Eicosal argues that this advertising expense (specifically, a fee that allowed it to display the celebration logo on its boxes of salmon), should instead be treated as a direct selling expense. Eicosal states that the expense meets the Department's two-prong test for classification of advertising expenses as direct expenses, as set forth in *Antifriction Bearings (other than Tapered Roller Bearings) and Parts Thereof from France, Germany, Italy, Japan, Singapore, and the United Kingdom; Final Results of Antidumping Duty Administrative Reviews,* 62 FR 2081, 2102 (January 15, 1997) (*AFBs 94/95*), namely that: (1) the expense be incurred directly in conjunction with sales of the foreign like product; and (2) the advertising be directed towards the customers' customer. Eicosal acknowledges that the promotional logo was displayed on boxes of seafood products other than fresh Atlantic salmon, but argues that a portion of the expenses nonetheless was incurred in direct connection with sales of subject merchandise. Further, Eicosal contends that these expenses do not meet the CIT's definition of ''general image'' advertising set forth in *Brother Industries* v. *United States,* 540 F. Supp 1341, 1366 (Ct. Int'l Trade 1982), aff'd, 713 F.2d 1568 (Fed. Cir. 1983), cert. denied, 465 U.S. 1022 (1984) (Brother Industries), *i.e.,* such advertising is ''more in the nature of making consumers aware of the company's concern for consumers and the quality of its workmanship and product in general'' than in the nature of touting a specific product. Eicosal contends that because the promotional logos in question are applied to particular products, they constitute specific product advertising.

The petitioners respond that the display of the centennial celebration logo on boxes of fresh Atlantic salmon does not specifically promote the sale of that product, but rather promotes goodwill between Chile and Japan, and therefore the associated expense cannot be treated as direct.

DOC Position: We agree with the petitioners. The expenses in question do not meet the criteria for direct expenses, as described in AFBs 94/95. The nature of the centennial celebration was to promote goodwill, thereby promoting Eicosal's corporate image.

The promotional logo applied to the boxes of fresh Atlantic salmon did not refer to salmon, nor even to Eicosal's general product lines. Therefore, we have continued to classify the expenses in question as indirect expenses.

Comment 15: Adjustment to Cash Deposit Rate for Re-Exports to Canada.

Eicosal argues that its cash deposit rate should be adjusted to account for the fact that it routinely re-exports a portion of its U.S. inventory of salmon to Canada. According to Eicosal, entries that result in re-exportation are not liable to assessment of antidumping duties, yet U.S. importers must post antidumping cash deposits for all entries into the United States, since there is no way to identify at the time of entry those products that are ultimately sold to Canada. In view of this, Eicosal argues, the Department should lower the cash deposit rate so that the total deposits collected do not exceed the total duties ultimately assessed on sales of subject merchandise.

Petitioners argue that it would be improper to lower Eicosal's calculated deposit rate to account for a hypothetical volume of U.S. entries that might be re-exported to Canada in the future.

DOC Position: We agree with the petitioners. For the reasons explained with respect to Comment 10 above (regarding similar arguments made by Aguas Claras), it is not appropriate to adjust the cash deposit rate for Eicosal to account for possible future entries of subject merchandise that might be re-exported to Canada in the future.

Sales Issues—Mares Australes

Comment 16: Unreconciled Revenues.

The petitioners note that there is a discrepancy between the total value of sales in the database submitted by Mares Australes and the total value of sales in the database submitted by Mares Australes' consignees. To account for this discrepancy, the petitioners request that the Department reduce CEP prices by the ratio of the unreconciled sales amount to the total value of Mares Australes' sales.

Mares Australes responds that the discrepancy noted by the petitioners was identified during verification in Chile, and was accounted for almost entirely at the outset of the subsequent CEP verification. Further, Mares Australes argues that the total value of sales of the consignee's database (which was the database relied on by the Department for its preliminary determination) was fully verified, and maintains that any remaining discrepancy with Mares Australes' initial database is insignificant.

DOC Position: We agree with Mares Australes. The small discrepancy between the two databases found at verification in Santiago was almost entirely accounted for at the outset of the CEP verification. The remaining discrepancy is an insignificant amount, particularly given that it involves a comparison of databases maintained by separate companies at different points in the distribution chain.

Comment 17: Canadian Sales Included in U.S. Sales Database.

The petitioners argue that sales to Canada by one of Mares Australes' consignees should be removed from the U.S. sales database.

Mares Australes argues that in the normal course of business it is not informed of the ultimate destination of merchandise shipped to the United States for consignment resale. According to Mares Australes, the Department's practice is to determine the market of destination according to the producer/exporter's knowledge of destination at the time of sale, and therefore the sales in question are properly included in the U.S. sales database.

DOC Position: We disagree with Mares Australes. Even if Mares Australes was not aware at the time of sale that the transactions involved Canadian customers, the fact remains that Mares Australes' consignee clearly identified the transactions as Canadian sales in its submitted database.

The Department's ''exporter knowledge'' rule is typically applied where the respondent ships merchandise to a reseller and is aware at the time of sale that the merchandise is ultimately destined for the United States. In this case, Mares Australes' sales to both the United States and Canada are made through consignees, who set the terms of sale on behalf of Mares Australes, and have ultimate knowledge of the location of the customer. In preparing its sales database, Mares Australes obtained a sales listing from its consignees that listed the location of the customer. Since the sales database identifies

certain transactions as sales to Canada, and since this information reflects the knowledge of the consignee (acting on behalf of the exporter), at the time of sale, the transactions in question are unarguably Canadian sales. Therefore, we have excluded these transactions from the U.S. sales database.

Comment 18: Unreconciled Claim Adjustments.

The petitioners contend that, at verification, the Department found that it could not link certain quality claim expenses incurred by the consignee to sales of subject merchandise. According to the petitioners, the Department should not assume that the consignee absorbed the expense of the quality claims, as this would be tantamount to application of ''beneficial facts available.'' The petitioners argue that, instead, the Department should assume that Mares Australes bore the full amount of the quality claim expense, and reduce U.S. price by that amount.

Mares Australes responds that, while the resellers' books may not permit linkage of specific quality claims to specific sales, all quality claim expenses charged by the consignee to Mares Australes have been captured in the submitted sales database. According to Mares Australes, claim expenses absorbed by the consignee should not be deducted from U.S. price, as they do not affect the net return to the respondent.

DOC Position: We agree with Mares Australes. At verification, we observed that a number of quality claims were charged by the consignee to Mares Australes. While some of these claims could not be linked to specific transactions due to the nature of the consignees' books, they resulted in an allocated reduction to U.S. price for groupings of sales. Other quality claims were absorbed by the consignee. Such claims are not expenses of the respondent and do not reduce the revenue received by the respondent; rather, they are normal expenses of the consignee, and are covered by the commission charged by the consignee on the sale.

Sales Issues—Marine Harvest

Comment 19: Accruals for Rebates.

The petitioners claim that Marine Harvest did not report certain rebates for co-op advertising accrued on its U.S. expense ledgers during the POI, and failed to provide evidence to support its claim that the co-op advertising program in question was canceled before any rebates were granted. The petitioners request that, as adverse facts available, the Department reduce Marine Harvest's U.S. prices by the highest amount accrued on Marine Harvest's expense ledgers.

Marine Harvest responds that the co-op advertising program in question never proceeded beyond the ''good idea'' stage, and that no rebates were ever paid. Citing *Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada,* 63 FR 12725 (March 16, 1998), Marine Harvest argues that the Department's practice is to not adjust prices for such accruals.

DOC Position: We agree with the petitioners. At verification, we found that Marine Harvest had made accruals for anticipated rebates to be paid to one of its customers during the POI. While we found no evidence that Marine Harvest had paid these rebates to the customer, we observed that Marine Harvest had not reversed these accruals as of the time of verification. Therefore, Marine Harvest's books indicated that the respondent anticipated that such payments would be made.

The case cited by Marine Harvest involves claims of accrued (but unpaid) rebates for comparison market sales, and not for U.S. sales. In this and other cases involving such claims for adjustments to normal value, the Department has required that the respondent demonstrate that there is evidence of a contractual obligation for the payment of such rebates, or that there is a historical record of such rebates having been paid regularly in the past. *Id.* at 12740–41; *see also Final Determination of Sales at Less Than Fair Value; Gray Portland Cement and Clinker From Japan,* 56 FR 12156, 12168 (March 22, 1991); *Final Determination of Sales at Less Than Fair Value; Color Television Receivers From Taiwan,* 49 FR 7628, 7637 (March 1, 1984). If the Department did not require such evidence, respondents could record accruals on their books for fictitious expenses, artificially reduce normal value, and then reverse the accruals after the antidumping proceeding was ended.

We do not know of, and the parties have not cited to, any case where the Department has found accrued but unpaid expenses corresponding to U.S. sales, as opposed to comparison market sales. Given the fact that the expense in question involves U.S. sales, we believe that it is incumbent on the respondent to demonstrate that the expense accrued on its books will not result in a rebate payment. At verification, the respondent did not provide any such evidence. The only evidence on the record is the respondent's accrual of these expenses on its books. In view of this, we have reduced U.S. price for the customer in question by the amount of the unreported accrued rebates. Because Marine Harvest has been a cooperative respondent, and with the single exception of this unreported accrued rebate, has been generally very thorough in its reporting of sales and expenses, we have not applied adverse facts available. Instead, we have reduced U.S. price by the rebate amounts actually accrued.

Comment 20: Level of Trade/CEP Offset for Marine Harvest.

The petitioners argue that the Department should not make a CEP offset for Marine Harvest's sales in the Japanese market. According to the petitioners, the level of trade in Japan is less advanced than the level of trade of U.S. sales, because Marine Harvest's U.S. sales affiliate engages in a wider variety of sales activities than does Marine Harvest's Japanese sales affiliate. As a secondary point, the petitioners contend that since sales to Japan are made exclusively to trading companies, the Department should find that there are separate levels of trade for U.S. sales involving retailers versus supermarkets/distributors and make a level-of-trade adjustment for any comparisons of U.S. sales to retailers to Japanese sales.

Marine Harvest argues that a CEP offset for Japanese sales is appropriate. According to Marine Harvest, the level of trade of sales to Japan is more advanced than the level of trade to the United States, since the sales activities performed by the U.S. reseller correspond to selling expenses already adjusted for as reductions to the CEP, and therefore cannot be considered in the comparison of selling functions performed by the sales affiliates in the two markets. Marine Harvest contends that its Japanese sales affiliate performs significant selling functions.

Marine Harvest does not address the petitioners' request that the Department find the existence of different levels of trade in the U.S. market and make an LOT adjustment for comparisons of U.S. sales to retailers to Japanese sales.

DOC Position: We agree with Marine Harvest that a CEP offset is appropriate. In the preliminary determination, we found a single level of trade in the Japanese market and a single level of trade in the U.S. market. We also found that the level of trade of sales to Japan is more advanced than the level of trade to the U.S. *See Preliminary Determination* at 2670. Verification has borne out that finding. At verification, we found that Marine Harvest's Japanese affiliate is engaged in a variety of selling functions including negotiation of terms of sale, visits to customers, handling of quality claims, and promotion of Marine Harvest's

products. *See* Marine Harvest Sales Verification Report at 12. To the extent that Marine Harvest's U.S. affiliate performs such functions, the associated expenses have already been adjusted for as reductions to the CEP.[9] Therefore, we continue to find that the level of trade of the Japanese market is more advanced than that of the U.S. market.

With respect to the petitioners' request that the Department find separate levels of trade in the United States, we note first that petitioners have not offered any reasons for the Department to deviate from its analysis in the preliminary determination. Since (1) the LOT of the Japanese sales is more advanced than the LOT of U.S. sales, (2) there is only one LOT in the Japanese market, (3) Marine Harvest does not sell salmon nor any other product at a different level of trade in Japan, and (4) the data submitted by the other respondents do not permit quantification of differences in level of trade, we find that an LOT adjustment cannot be made. Therefore, we have continued to make a CEP offset.

Comment 21: Commingling of Different Grades of Salmon.

According to the petitioners, Marine Harvest has admitted that it commingled premium and super-premium salmon on shipments to the United States. The petitioners argue that, therefore, even if the Department accepts that there is a legitimate distinction between the two grades in the Japanese market, it should nonetheless average Japanese sales prices of premium and super-premium salmon.

Marine Harvest contends that it is rare that U.S. shipments of premium salmon will contain some super-premium salmon in the mix, and that such sales are in any case properly identified as being of premium grade, since they include only about five percent super-premium salmon.

DOC Position: As explained above in Comment 1, we have not distinguished between super-premium and premium salmon. Accordingly, this issue is moot.

Cost Issues—General

Comment 22: Major Inputs.

The Association argues that, in its final determination, the Department should not use transfer prices to value transactions between companies and their affiliated processors and feed producers. Instead, the Association suggests that, for Eicosal and Marine Harvest, the Department rely on the affiliated suppliers' costs to value processing services and feed for purposes of computing cost of production and constructed value.

The Association contends that the so-called ''transactions disregarded'' and ''major input'' rules under sections 773(f) (2) and (3) of the Act do not apply in this instance because the two companies' affiliated suppliers are separate legal entities in form only and that, in substance, these suppliers operate as divisions of a single entity. According to the Association, the record demonstrates that Eicosal and Eicomar, and Marine Harvest and Marifarms/Marine Feeds are more than mere ''affiliated persons'' as defined by section 771(33) of the Act. As evidence of this, the Association points out that Eicosal and Marine Harvest are each part of wholly-owned, commonly controlled, vertically integrated salmon production operations with the same accounting systems and under the same management.

The Association asserts that the Department has not allowed the legal form of an entity to distort the calculation of dumping margins in other areas of the law. The Association notes that, for instance, in *Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products from Korea: Final Results of Antidumping Duty Administrative Reviews,* 62 FR 18404, 18430 (April 15, 1997) (*Steel Flat Products from Korea*) (Comment 19), the Department chose not to impose the major input rule where it treated respondent companies as a single entity for purposes of reporting sales of the subject merchandise. The Association further points to the Department's practice of calculating financial expenses on a consolidated basis in support of its argument that Eicosal and Marine Harvest and their respective affiliated suppliers should be treated as single entities for purposes of valuing inter-company transactions.

In addition, the Association argues that generally accepted accounting principles suggest that the Department should treat the companies and their affiliated suppliers as single entities. Specifically, the Association notes that U.S. and international financial accounting principles require all companies that hold controlling interests in other companies to consolidate the results of their operations with those of their subsidiaries. This practice, the Association observes, has the effect of treating consolidated companies as a single entity, since all profits and losses on transactions between the companies are eliminated. The Association contends that the respective parent companies of Eicosal and Marine Harvest each follow these accounting principles in the ordinary course of business and prepare consolidated financial statements covering all of their controlled subsidiaries. Thus, the Association argues, the Department should value affiliated-party transactions at cost in the same way they are recorded in the ordinary course of business in the companies' audited, consolidated financial statements.

With respect to a third salmon producer, Mares Australes, the Association argues that the Department should use a market price instead of the higher transfer price in valuing feed purchases from its affiliated feed producer Trouw Chile, S.A. (Trouw Chile). According to the Association, the relevant provision of the antidumping statute provides for the use of market price to value inputs from affiliated parties ''if, in the case of any element of value required to be considered, the amount representing that element does not fairly reflect the amount usually reflected in sales of merchandise under consideration in the market under consideration.'' *See* section 773(f)(2) of the Act. Therefore, the Association believes that the statutory provision at issue provides for the use of market price whenever the transfer price does not fairly reflect the amount usually reflected in sales of the subject merchandise. The objective of the affiliated party rule is to ensure that COP is appropriately calculated and not distorted by decisions between affiliated parties as to where to book the profits on the production of the input, suggests the Association.

The petitioners assert that, in dealing with transactions between affiliated companies under sections 773(f) (2) and (3) of the Act, it is the Department's practice to value major inputs, like processing and feed, at the higher of the transfer price, market price, or actual production cost. Indeed, according to the petitioners, Eicosal and Marine Harvest's argument that the Department may make an exception to its normal practice in the case of ''close affiliates'' is inconsistent with the statutory scheme as drafted by Congress. The petitioners maintain that the Department must reject Eicosal and Marine Harvest's argument to base affiliated-party purchases on cost rather than on the higher transfer price amounts.

[9] As noted in Comment 9, *supra,* petitioners claim that the CIT recently overturned the Department's practice of comparing the level of trade of comparison market sales to a constructed level of trade for CEP sales. *See Borden et al.* v. *United States,* cited in petitioners' case brief at 83. The Department is still considering the Court's remand order.

The petitioners disagree with the two respondents' reliance on *Steel Flat Products from Korea,* noting that, unlike Eicosal, Marine Harvest, and their respective affiliates, all of the Korean companies involved in that case produced the subject merchandise and, thus, had been ''collapsed'' by the Department for purposes of reporting sales and computing a single antidumping duty margin. Similarly, the petitioners reject respondents' argument with respect to the Department's practice of computing financial expenses based on consolidated financial statement data. The petitioners observe that, in contrast to debt which is dispersed throughout the consolidated companies, inter-company profit is generated at different points in the production process and by the sales process specific to each product, customer and market. The petitioners also contend that because the Department conducts a two-market price analysis in antidumping cases, some profit must be built into comparison market sales so that respondents do not allocate away all comparison market profit for dumping purposes.

With respect to respondents' arguments that U.S. and international accounting principles call for treating Eicosal, Marine Harvest and their affiliates as single entities, the petitioners contend that these accounting principles do not in any way outweigh the provisions of the antidumping statute. The petitioners argue that the Department must therefore apply the statutory provisions for ''fair value'' and ''major inputs'' for Eicosal and Marine Harvest in the final determination.

With regard to the Association's claim that the Department should rely on market prices for Mares Australes, the petitioners assert that this claim is inconsistent with the Department's normal establishment of arm's-length transactions.

DOC Position: We disagree with the Association with respect to our application of the major input rule for Eicosal, Marine Harvest and Mares Australes. In order to value processing services and feed purchased by these companies from their affiliated suppliers, we have continued to rely on the higher of transfer prices, market value, or the affiliate's cost of production in accordance with sections 773(f)(2) and (3) of the Act.

As noted in the comments from both respondents and the petitioners, section 773(f)(2) and (3) of the Act prescribes how the Department is to treat affiliated-party transactions in its calculation of cost of production and constructed value. With respect to major inputs purchased from affiliated suppliers (in this instance, salmon processing and feed), the Department's practice is that such inputs will normally be valued at the higher of the affiliated party's transfer price, the market price of the inputs, or the actual costs incurred by the affiliated supplier in producing the inputs.

Since implementation of the URAA, the Department has consistently applied this interpretation (*see, e.g., Small Diameter Circular Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Germany: Final Results of Antidumping Duty Administrative Review,* 63 FR 13217, 13218 (March 18, 1998)(Comment 1), and *Silicomanganese from Brazil; Final Results of Antidumping Duty Administrative Review,* 62 FR 37869, 37871 (July 15, 1997) (*Silicomanganese from Brazil)*(Comment 3)), making exception in only those cases wherein it treats respondents as a single entity for purposes of sales reporting and calculating an antidumping margin (*see, e.g., Steel Flat Products from Korea* (Comment 19)). Relying solely on cost in the latter case flows logically from the overall calculation methodology being employed.

All of the parties in question are separate legal entities in Chile, responsible for maintaining their own books and records. In contrast to *Steel Flat Products from Korea,* the Department is applying its normal company-specific calculation methodology. Therefore, there is no basis for establishing an exception to the ''major input rule.'' Accordingly, sections 773(f)(2) and (3) of the Act apply to the transactions between these companies.

Further, we disagree with respondents' argument that the principles that guide the Department to treat groups of affiliated companies as a single entity for purposes of calculating financial expenses should apply to other elements of cost of production. The Department's practice regarding the calculation of financial expenses based on the consolidated financial statements of the parent company is well established and has been upheld by the courts. *See, e.g., E.I. DuPont de Nemours & Company* v. *United States,* Slip Op. 98–7, Court No. 96–11-02509 (January 29, 1998)(upholding the Department's application of its long-standing policy of calculating interest expense from the borrowing cost incurred by the consolidated group of companies rather than the individual producer). The Department's practice with respect to calculating financial expenses is for a completely different purpose, i.e., to ensure that consolidated companies do not direct actual interest costs away from producers of subject merchandise and to producers of non-subject merchandise. On the other hand, under the major input rule, the statute requires that we review affiliated-party purchases in order to determine that they reasonably reflect a fair value.

Although generally accepted accounting principles usually require that a company's financial statements be consolidated with all companies in which it owns a controlling interest, these consolidated financial statements do not alter the manufacturing costs associated with producing the subject merchandise as recorded by the entity producing the subject merchandise.

Consistent with our general practice, outlined above, we disagree with Mares Australes that a market price rather than the transfer price it pays its affiliate should be used to value feed purchases from Trouw Chile. The Department will use the transfer price which normally reflects Mares Australes' purchases of the input, unless the transfer price does not reflect a fair value in the market under consideration. Therefore, we continue to rely on transfer prices in order to value feed purchased from Mares Australes' affiliated supplier, Trouw Chile.

Comment 23: Perishability.

The Association argues that the Department erroneously determined in the preliminary determination that salmon was not a highly perishable agricultural product for purposes of determining ''substantial quantities'' of sales below cost in the cost test. The Association contends that the test for ''high perishability'' is whether a product has a short shelf life, noting that the Department has found products with significantly longer shelf lives than salmon, [10] to be highly perishable. According to the Association, the petitioners themselves have attested to the high perishability of salmon before the International Trade Commission (ITC).

Further, although the Association acknowledges that the Department did not find salmon to be highly perishable in the LTFV investigation of *Fresh and Chilled Atlantic Salmon from Norway* (*Salmon from Norway*), it contends that

[10] Although it did not make this specific point in its case briefs, at the public hearing the Association referenced a determination involving a 1983 Department finding that potatoes from Canada are highly perishable. The Association noted that salmon have much shorter shelf lives than potatoes. *See* Transcript of Case Hearing at 59–61 (April 28, 1998).

that precedent is not controlling. According to the Association, Norwegian producers and exporters of salmon were different entities, and the Department's focus in that case was whether live farmed salmon was highly perishable for producers (who sold that salmon to exporters). The Association argues that the respondents in this case are integrated producers/exporters, such that the Department is not examining any sales of live salmon as sold by producers; rather, the merchandise in question consists entirely of dressed fish sold by the producer/exporter. Therefore, the Association contends, any alleged control over harvest timing is irrelevant, since once salmon are dressed and/or filleted, they become inherently perishable.

Finally, the Association claims that the sales data submitted in this investigation indicate that salmon prices fall significantly due to inevitable perishability problems after harvesting. As evidence, the Association submits a graphical illustration of U.S. and Canadian price trends over the shelf life of salmon, based on data submitted by Aguas Claras in its sales databases.

The petitioners argue that salmon should not be considered a highly perishable agricultural product for purposes of the cost test. According to the petitioners, the Department's precedent established in *Salmon from Norway* (*i.e.*, that salmon is not a highly perishable product) is controlling in the instant investigation. The petitioners disagree with the Association's claim that, due to the integration of producers and exporters in the Chilean salmon industry, *Salmon from Norway* is inapplicable. According to the petitioners, that high degree of integration in the Chilean salmon industry enhances the respondents' control over harvesting and distribution schedules.

More generally, the petitioners contend that a product can only be deemed to be highly perishable if the producer has very little flexibility in controlling the timing of harvesting, and if this lack of control normally and inevitably results in sales below cost for the industry. According to the petitioners, salmon harvests can be delayed by as many as 15 months, such that the respondents can fine-tune harvest timing so as to avoid the need to make sales below cost.

The petitioners further argue that verification revealed that sales below cost are not an inevitable aspect of salmon production, and that Chilean salmon producers have not demonstrated that they suffer from perishability problems in bringing their product to market.

DOC Position: We do not disagree with the Association's statement that, once harvested, salmon is a perishable product that does not have a long shelf life. However, the issue with respect to the ''substantial quantities'' portion of the cost test is whether salmon is a product that the respondents can expect to sell routinely in the comparison market at prices below the cost of production due to the highly perishable nature of the product. We disagree with the Association's contentions in this regard and find that fresh Atlantic salmon is not a highly perishable agricultural product for purposes of the ''substantial quantities'' test.

In *Salmon from Norway*, the Department found that the respondents had sufficient control over harvest timing and distribution such that perishability was not a concern, as the salmon were brought to market before freshness was compromised. Although the Association contends that the Department's focus in that case was on live salmon as sold by producers to exporters, the Department in fact found that salmon was not highly perishable either with respect to producers or exporters, whether live or harvested. The Department concluded:

> Norwegian salmon farmers have the ability to control the time of sale of their output by ''holding over'' inventory and, since January 1990, by freezing fresh salmon. Regarding respondents' assertion that salmon is perishable in the hands of the exporters, the Department found at verification that the opposite is true. Exporters coordinate their salmon requirements in weekly telephone conferences with their customers, with farmers, and with other exporters. By doing so, exporters can communicate their salmon requirements two weeks into the future so that farmers can begin to ''starve'' (prepare for harvest) the salmon two weeks prior to harvest. Accordingly, there appears to be no perishability problem at the exporter level.

See Salmon from Norway at 7673.

The record of the instant investigation, including our findings at verification, suggests that perishability is even less of a problem for the Chilean respondents than for the Norwegian respondents. The Chilean respondents are integrated producers/exporters, so that their production and harvesting schedules are more easily coordinated. Moreover, the respondents sell to a small number of importers in their respective comparison markets, with whom they closely coordinate both production and distribution. Shipments to third-country markets are made directly to the customer, without the involvement of consignees or affiliated resellers.[11] As the salmon are shipped, the terms of the sale are set, and the sale is consummated. Therefore, perishability does not become a factor in the respondents' pricing.

Our verifications bear out these findings. For instance, Marine Harvest sells to a total of three customers in Japan, and the majority of sales are made to a single customer. According to company officials, because Marine Harvest Chile's sales to Japan are arranged in close consultation with Japanese customers, it is exceptionally rare for Marine Harvest Chile to make sales below cost to the Japanese market due to perishability concerns. *See* Marine Harvest Sales Verification Report at 4–5. The other respondents similarly are able to coordinate closely their shipments with their customers. In the case of Eicosal, its Japanese customers reportedly will purchase all the high-quality salmon that Eicosal can produce. *See* letter from Eicosal to the Department of Commerce, transmitting Supplemental Section A Questionnaire Response (November 18, 1997), at 3. Moreover, in describing its production and sales process at verification, Eicosal stated that it conducts negotiations for Japanese sales before the salmon are harvested. *See* Eicosal Sales Verification Report at 7. Similarly, Mares Australes has stated that its two Japanese importers inform them of their requirements a month in advance, and that one of its importers even provides ''exact requirements by shipment.'' *See* letter from Mares Australes to the Department of Commerce, transmitting Supplemental Section A & B Questionnaire Responses (November 3, 1997), at 12.

As for the Association's argument that the Department has found products with longer shelf lives than salmon (such as potatoes) to be highly perishable, we note that shelf life is not the sole criterion in determining whether an agricultural product is highly perishable for purposes of the cost test. Rather, as explained above, the issue is whether salmon is a highly perishable product that the respondents can expect to routinely sell in the comparison market at prices below the cost of production.[12]

[11] The single exception is Aguas Claras, which made sales to Canada out of its U.S. affiliate's inventory. However, at verification Aguas Claras asserted that it sells merchandise affected by perishability problems in the United States and not in Canada due to the longer transportation times required for Canadian sales. *See* Aguas Claras Sales Verification Report at 6. Thus, to the extent that Aguas Claras makes significant sales below cost in the Canadian market, it is for reasons other than perishability.

[12] With respect to the Association's reference to the Department's finding that potatoes (which have

Given the facts of this case, we have found that fresh Atlantic salmon does not meet that standard.

In view of the record evidence that salmon is not a highly perishable product for purposes of the cost test, we do not find any basis to warrant the application of a higher threshold for the ''substantial quantities'' aspect of the cost test.

Comment 24: Exchange Rate Losses.

The Association argues that, in calculating financial expenses for COP and CV, the Department must include only those exchange rate losses that are attributable to loans used to finance salmon production during the POI. While it acknowledges the Department's normal practice of calculating general expenses, including financial expenses, based on each respondent's fiscal year data, the Association maintains that, in this case, such a practice would overstate the actual financial expenses incurred by the salmon producers due to the effects of exchange rate losses incurred during 1996. Specifically, the Association points to the fact that a shift in the Chilean peso/U.S. dollar exchange rate during the first part of 1996 was responsible for the major portion of the exchange losses incurred by the producers in connection with their dollar-denominated debt. These losses, adds the Association, were reported by the salmon producers in their 1996 financial statements, the same financial statements used by the Department to compute financial expenses for COP and CV. The Association notes, however, that during the actual months of the POI, the change in the peso/dollar exchange rate was significantly less than that of the full calendar year 1996. Thus, according to the Association, where the Department determines to include exchange rate losses in financial expenses, it should compute such losses based on the actual POI and not the company's 1996 fiscal year, in effect, limiting its analysis of exchange rate gains and losses to the POI so as to match these costs to sales during the POI.

As support for its position, the Association argues that exchange rate gains and losses differ from other types of G&A expenses and interest expense in that the former may fluctuate significantly from month to month, causing considerable changes in the amount of gain or loss recognized as a cost. Moreover, according to the Association, the Department has acknowledged the distortion caused by exchange losses and its practice of calculating financial expenses based on full-year financial statement information. As evidence of this, the Association points to the *Final Determination of Sales at Less Than Fair Value Oil Country Tubular Goods from Mexico,* 60 FR 33567, 33572 (June 28, 1995) (*OCTG from Mexico*) in which the Department chose not to use financial statement data to compute financial expenses because devaluation of the Mexican peso made the information unrepresentative of costs during the POI.

In addition to considering only the exchange losses incurred during the POI, the Association also urges the Department to exclude from COP and CV a portion of the losses on loans allocable to financing sales and accounts receivable. The Association argues that because the companies finance all of their operations, including both production and sales activities, part of the exchange loss arising from dollar-denominated debt must be attributed to the companies' non-production activities. If the Department chooses not to allocate a portion of the exchange loss to sales activities and accounts receivable, the Association contends that it should reexamine its treatment of exchange gains arising from foreign currency receivables by treating all such gains as an offset to foreign exchange losses.

The petitioners argue that the Department must continue to calculate financial expenses based on the salmon producers' 1996 financial statement data, and not use the POI data as suggested by the Association. According to the petitioners, consistent with the Department's practice, the fiscal year information provides the most accurate and reasonable basis for estimating the actual expenses incurred, including exchange gains and losses. The petitioners point also to *Gray Portland Cement and Clinker from Mexico: Final Results of Antidumping Duty Administrative Review,* 62 FR 17148, 17160 (April 9, 1997), in which the Department determined that exchange gains and losses arising from the respondent's foreign currency debt were, indeed, related to production and therefore properly included in the calculation of financing expenses. Lastly, the petitioners call attention to the fact that the Department's practice of including foreign exchange gains and losses in financial expenses has been upheld by the CIT in *Micron Technology, Inc* v. *United States,* 893 F. Supp. 21 (CIT 1995).

DOC Position: Our practice is to calculate general expenses, including financial expenses, based on the full fiscal year's information that most closely corresponds to the period of investigation or review. *See, e.g., Final Results of Antidumping Duty Administrative Review: Silicon Metal From Brazil,* 63 FR 6899, 6906 (February 11, 1998) (Comment 16). Contrary to the Association's claim, general expenses often vary greatly from month to month. By considering general expense information for the fiscal year, however, the Department is able to ensure that it has reasonably captured all of the expenses associated with the respondent's complete business and accounting cycle. In particular, we note that the year-end financial statement data are generally the most accurate reflection of a company's results because these data include complete year-end accruals and other adjusting entries that are often posted only at year-end. In addition, the year-end statements are often audited, or at a minimum, reviewed by outside accountants, which provides additional assurance as to the accuracy of the data presented and the accounting principles used to compile those data.

Here, the Association suggests that the Department isolate one specific expense, foreign exchange losses, which it contends would be lower if the Department departs from its normal methodology and shifts the calculation period for foreign exchange losses on loans by three months. While that may be the case, it is difficult to accept the Association's rationale in light of the fact that they have offered no information as to the effect that the three-month shift would have on all other costs incurred by the companies, certain of which may indeed be higher than those of the 1996 fiscal year. Thus, we do not consider it appropriate for the Department to abandon its normal practice for a single expense (foreign exchange losses) when the rationale for doing so is little more than the fact that such expense would be lower if calculated over a different period.

With respect to the Association's reliance on *OCTG from Mexico* as a departure from the Department's general practice of using fiscal year data, we note that, in that case, the respondent's financial expense ratio was based on best information available (the predecessor to facts available).

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longer shelf lives than salmon) are a perishable product, we note that the underlying case dates back sixteen years, and the notice of final determination in that case does not set forth any details of the Department's analysis of perishability with respect to potatoes. *See Final Determination of Sales at Less Than Fair Value; Fall-Harvested Round White Potatoes From Canada,* 48 FR 51669, 51669 (November 10, 1983). In any event, there is no bright line ''shelf-life'' test to define high perishability, and the determination of whether a product is highly perishable for purposes of the cost test is necessarily specific to the facts of each case.

Specifically, the investigation in that case encompassed a six-month period from January through June 1994. The respondent's 1994 financial statements were provided by the petitioners, after the respondent claimed that these statements were not available. The financial statements showed the effects of the massive devaluation of the Mexican peso sustained in late December of 1994, several months subsequent to the POI. As discussed more fully in *OCTG from Mexico*, the Department used an adverse inference in its calculation of interest expense, while declining to include the full amount of the peso collapse. While the Association has characterized the change in the Chilean peso rate during the fiscal year as ''four and one-half times'' that of the POI, this reflects a change of from 1 to 4.4 percent. This change does not begin to equate to the massive currency devaluation noted in *OCTG from Mexico*. Finally, we note that the choice of adverse facts available (or its predecessor best information available) provides no guidance with respect to the Department's preferred methods for calculating actual expenses.

As to the Association's assertion that exchange losses should be attributed to the accounts receivable balance, this is inconsistent with our practice. The Department has an established practice of including currency translation gains and losses on foreign-currency denominated loans in COP and CV because they reflect an actual increase in the amount of local currency that will have to be paid to retire the foreign-currency denominated loan balances. *See, e.g., SRAMs from Korea* (Comment 4). We allocate the financial expenses based on the cost of goods sold and, thus, these expenses are reflected as a cost of production, and not a selling expense. We do not consider exchange gains and losses from sales transactions to be related to the manufacturing activities of the company. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Steel Wire Rod From Trinidad and Tobago*, 63 FR 9177, 9181 (February 24, 1998) (Comment 4).

For this final determination, we have included in the cost of production the amortized portion of foreign exchange losses resulting from foreign-currency denominated loans as part of the financial expenses. The foreign exchange losses on loans reported in the consolidated financial statements were amortized over the average remaining life of the loans on a straight-line basis.

Comment 25: CV Imputed Credit.

The Association argues that the Department's methodology for comparing U.S. prices to CV does not properly account for imputed credit expenses in the comparison market. The Association believes that the Department should either deduct an amount for imputed credit from CV, as it has done in recent cases, or should exclude from COP financial expenses the amount allocable to financing accounts receivable, as it did under the old law.

Further, for Camanchaca, the only producer that did not have a comparison market, the Association argues that, if the Department continues to use the weighted-average selling and profit rates of the other four respondents in this investigation, the Department should apply the weighted-average comparison market imputed credit of the other four producers.

The petitioners do not rebut the Association's comments on this issue.

DOC Position: We agree with the Association that a ''circumstance of sale'' adjustment for imputed credit should be made to CV. The Department ''uses imputed credit expenses to measure the effect of specific respondent selling practices in the United States and the comparison market.'' *See Stainless Steel Wire Rods from France* (Comment 5). Thus, in order to make a fair comparison, we have deducted imputed credit from CV as a COS adjustment in this final determination.

Comment 26: Allocation of Financial Expenses Based on Assets.

The Association asks the Department to consider the special circumstances of three salmon producers—Eicosal, Camanchaca, and Aguas Claras—in calculating financial expenses for COP and CV. According to the Association, certain characteristics unique to these companies' operations require that the Department modify its normal method of computing consolidated financial expenses based on the ratio of net financial expenses to cost of goods sold during the period.

In the case of Eicosal, the Association contends that the Department must recognize the very different capital requirements of—and disproportionate generation of financial expenses by—Eicosal and its affiliated processor, Eicomar. That is, in the Association's view, the Department must allocate consolidated financial expenses between Eicosal and Eicomar based on the relative value of fixed assets held by each company. The Association maintains that this allocation is necessary in order to avoid significant distortions in the calculation of financial expenses due to the fact that Eicomar, as a seafood processor, requires substantially greater amounts of capital for equipment than does Eicosal, which conducts the salmon farming operations. In support of this view, the Association cites the *Final Determination of Sales at Less Than Fair Value of Dynamic Random Access Memory Semiconductors of One Megabit and Above from the Republic of Korea*, 58 FR 15467, 15471 (March 23, 1993)(*DRAMS from Korea*) where, before calculating a respondent's net financial expense ratio for COP and CV, the Department first allocated financial expenses to various divisions within the corporation based on the relative value of fixed assets within each division.

The Association also requests that the Department make a fixed asset-based allocation of financial expenses for Camanchaca as well. In this instance, the Association points out that Camanchaca is involved in many fish and seafood-related operations other than the production of fresh Atlantic salmon. According to the Association, Camanchaca's operations are divided into six distinct production areas, each locally administered and having its own capital requirements. The Association maintains that unless financial expenses are first allocated to Camanchaca's production area on the basis of fixed asset value, the Department's normal method of computing such expenses will significantly distort the actual capital costs incurred by the company's salmon production operations.

Finally, in the case of Aguas Claras, the Association argues that the Department's financial expense calculation fails to take account of the company's frozen and smoked salmon operations. Specifically, the Association observes that, in addition to fresh salmon, Aguas Claras produces and holds in inventory a large amount of frozen and smoked salmon products. According to the Association, before it can accurately capture the financial expenses of fresh Atlantic salmon, the Department must first allocate a portion of total financial expense to frozen and smoked salmon in recognition of the costs incurred to finance these products in inventory. The Association contends that such an allocation would be consistent with the Department's imputation of inventory carrying costs in antidumping cases.

The petitioners argue that the Department should follow its normal methodology and calculate financial expenses as a ratio of each company's cost of goods sold. According to the petitioners there is no reason in this case for the Department to allocate interest on the basis of inventory or fixed assets as suggested by the Association. The petitioners further

point out that Camanchaca and Aguas Claras improperly reduced their submitted financial expenses associated with the imputed cost of carrying their accounts receivable and ending inventory.

DOC Position: We disagree with the Association that the facts of the case require us to depart from our general practice of calculating financial expenses based on a ratio of the foreign producer's net expenses to its cost of goods sold. In this case, each of the three respondents proposes alternative methods for calculating financial expenses which they believe best represent the unique circumstances of their operations. In effect, these calculations allocate interest charges to certain assets which the companies contend are not associated with subject merchandise, and thus, have the effect of lowering the interest expense for subject merchandise. The fact that the results of these calculations differ from the normal cost-of-sales-based calculation does not in any way suggest that the Department's longstanding practice of calculating financial expenses is inaccurate or unreasonable. In fact, the Courts have upheld as reasonable the Department's practice of calculating financial expenses based on the consolidated group as a whole, notwithstanding the fact that any non-respondent member of the Group may have been involved in a different line of business or held assets having values substantially different from those of the respondent company. *See, e.g., E.I. DuPont de Nemours & Co.* v. *United States,* Slip op. 98–7, Court No. 96–11–02509 (January 29, 1998)(where the Court noted that the Department's calculation of financial expenses reasonably reflects the actual costs incurred by the respondent) and *Gulf States Tube Division* v. *United States,* Slip op. 97–124, Court No. 95–09–01125 (August 29, 1997) at 31 (where in light of the fact that the statute provides no specific guidance for the calculation of financial expenses, the Court recognized as reasonable the Department's allocation of such expenses based on the respondent's consolidated group).

With respect to the Association's citation to *DRAMS from Korea,* we note that while the Department relied on an asset-based allocation methodology in the investigation phase of that case, we have since reconsidered this approach. Specifically, although the CIT upheld the Department's interest calculation in that proceeding (*Micron Technologies, Inc.* v. *United States*), in a recent investigation involving the same respondent companies from the *DRAMS from Korea* proceeding, *Final Determination of Sales at Less Than Fair Value: Static Random Access Memory Semiconductors From the Republic of Korea,* 63 FR 8934, 8938 (February 23, 1998)(*SRAMS from Korea*), the Department described why it was unnecessary to follow the fixed asset based allocation methodology for financial expenses that had been used in the *DRAMS from Korea* proceeding. *See SRAMS from Korea* at 8938 (General Comment 2). (''We have reconsidered this issue for the final determination and concluded that because the COGS includes a proportional amount of the depreciation of the assets used in the production of the merchandise, allocation of financing expenses on the basis of COGS distributed proportionately more interest expense to those products having higher capital investment.'') Thus, as in this case, the Department recognized that its normal method of calculating financial expenses on the basis of cost of goods sold, without special allocations to specific divisions or assets, provides a reasonable measure of the costs incurred for the merchandise.

Further, we have not allowed the respondents to offset financial expenses for the claimed cost of holding accounts receivable and inventory. The statute directs the Department to calculate selling, general and administrative costs, including financial expense, based upon the actual experience of the company. *See* section 773(b)(3)(B) and section 773(e)(2)(A) of the Act. Under the pre-URAA law, we allowed offsets to financial expense for accounts receivable and finished goods inventory to account for the fact that we calculated CV inclusive of amounts imputed for credit and inventory carrying costs. Consistent with the provisions of the new law, however, we now base financial expense for COP and CV on the amounts incurred by the respondents, and do not account for imputed expenses as actual costs for the calculation of CV. Therefore, it is no longer appropriate to reduce the financial expenses by the accounts receivable and inventory offsets as suggested by the Association. *See, e.g., Steel Flat Products From Korea* at 18422 (Comment 6); *Final Determination of Sales at Less Than Fair Value: Certain Pasta From Italy,* 61 FR 30326, 30361 (June 14, 1996).

Comment 27: Inflation.

The Association contends that the Department should not adjust the respondents' reported cost of production and constructed value figures to account for the effects of Chilean inflation on salmon stock costs. Although it recognizes that such an adjustment would be consistent with Chilean accounting principles, the Association points out that inflation in the country ranged only between six and eight percent during the period over which the respondents calculated their reported salmon costs. This low inflation rate, argues the Association, does not meet the Department's normal threshold for adjusting costs in cases involving significant inflation.

In support of its position, the Association cites *Certain Fresh Cut Flowers from Colombia: Final Results of Antidumping Duty Administrative Reviews,* 61 FR 42833, 42845 (August 19, 1996)(*Flowers from Colombia*) and *Final Determination of Sales at Less Than Fair Value: Fresh Cut Roses from Colombia,* 60 FR 6980, 6993 (February 6, 1995)(*Roses from Colombia*), where it contends that the Department's policy is to adjust costs to a constant currency basis only in cases involving high-inflation and, even then, only to adjust expenses related to long-lived fixed assets (*i.e.,* depreciation expense). The Association notes that, consistent with Chilean GAAP, each respondent restated the historical cost of its fixed assets such that the depreciation expense reported for cost of production and constructed value reflected current Chilean peso values during the period of investigation. However, the Association contends that salmon stock is not a fixed asset and, thus, it is inconsistent with past Department practice to also adjust these costs for the low inflation experienced in Chile during the cost calculation period.

The petitioners, citing *Final Determination of Sales at Less Than Fair Value: Canned Pineapple Fruit from Thailand,* 60 FR 29553, 29559 (June 5, 1995) (*Pineapple from Thailand*), claim that the Department should rely on the respondents' normal books and records, kept in accordance with Chilean GAAP, for the calculation of the live fish inventory cost. The petitioners argue that whether inflation in Chile was high or low is irrelevant to the cost calculation because the Department must first look at the respondents' home country GAAP to determine whether such principles reasonably reflect the costs of producing the subject merchandise. In *Pineapple from Thailand,* the Department stated that normal accounting practices provide an objective standard by which to measure costs, while providing the respondents a predictable basis on which to compute costs. The petitioners further contend that, in this case, the respondents want the Department to reject outright the Chilean GAAP requirements regarding price-level

adjustments to non-monetary assets. Yet, the petitioners note, the respondents have failed to meet their burden of demonstrating that such an adjustment would distort the reported costs. The petitioners assert that the respondents have failed to indicate how their normal books and records, kept in accordance with Chilean GAAP, distort costs. The petitioners argue that the respondents' claim that the cost of live fish inventory are mainly contained within the POI is incorrect because the production cycle of salmon is between two and three years.

DOC Position: We agree with the petitioners that certain of the salmon producers failed to provide costs which reflected their normal accounting practices of adjusting non-monetary assets for increases in price-levels. The exclusion of these adjustments results in costs which are not reflective of current price levels and, thus, produces an improper match of revenues and expenses.

The Department's long-standing practice, codified at section 773(f)(1)(A) of the Act, is to rely on data from a respondent's normal books and records where those records are prepared in accordance with home country GAAP and reasonably reflect the costs of producing the merchandise. Normal GAAP accounting practices provide both respondents and the Department a reasonably objective and predictable basis by which to compute costs for the merchandise under investigation. However, in those instances where it is determined that a company's normal accounting practices result in a misallocation of production costs, the Department will adjust the respondent's costs or use alternative calculation methodologies that more accurately capture the actual costs incurred to produce the merchandise. *See, e.g., Final Determination of Sales at Less Than Fair Value: New Minivans from Japan,* 57 FR 21937, 21952 (May 26, 1992) (*Minivans from Japan*) (the Department adjusted a respondent's U.S. further manufacturing costs because the company's normal accounting methodology did not result in an accurate measure of production costs); *see also, Pineapple from Thailand,* 60 FR at 29559.

In the instant proceeding, the Association asks the Department to reject each salmon producer's normal price-level accounting methodologies used for live fish inventories in favor of costs calculated for purposes of this investigation. As noted, however, the Department's practice is to rely on a respondent's books and records prepared in accordance with its home country GAAP unless these accounting principles do not reasonably reflect costs associated with production of the subject merchandise. As a result, before analyzing any alternative accounting method reported by a respondent during the proceeding, the Department will determine whether it is appropriate to use the respondent's normal GAAP accounting practices in order to calculate the cost of the merchandise.

In this case, the Department examined whether it was reasonable under Chilean GAAP for the salmon producers to adjust their fish inventory costs to reflect current Chilean peso values corrected for the effects of inflation. Fish stock costs are recorded on the basis of the historical amounts incurred to raise the salmon from eggs to maturity. Similar to fixed assets, however, because fish stock costs are carried on the company books as an asset for two to three years prior to harvest, Chilean GAAP requires that the costs be restated to reflect inflation-adjusted amounts. In examining the companies' books and records at verification, we found that Camanchaca, Aguas Claras and Eicosal had used the recorded price-level adjustment methodology for live fish inventories for at least a number of years. In addition, evidence on the record, *i.e.,* audited financial statements, indicated that each of the three companies' normal price-level adjustment methodologies was accepted by its independent auditors and was consistent with GAAP practiced in Chile.

Given the fact that the companies' price-level adjustment methodology is consistent with Chilean GAAP and the Association has not shown this practice to distort salmon production costs during the period, we have recalculated each company's fish stock costs to include the price-level adjustment reported in accordance with its normal accounting practices.

We also found that two of the companies, Mares Australes and Marine Harvest, did not record the price-level adjustment to fish stock costs as they do not prepare financial statements in accordance with Chilean GAAP. Specifically, these companies are subsidiaries of foreign companies that prepare only consolidated financial statements in other countries following accounting principles dictated by the home country GAAP of their respective parent companies. Thus, Mares Australes and Marine Harvest are not required to prepare financial statements in accordance with Chilean GAAP.

We note that in this case, however, the information provided by Marine Harvest does, in effect, consider the change in the value of the Chilean peso. Marine Harvest's financial data is restated into U.S. dollars monthly as part of its reporting for consolidation purposes. We note that during the cost calculation period the Chilean peso/U.S. dollar exchange rate reflected much of the inflation rate experienced in Chile. Thus, Marine Harvest's reported costs were effectively adjusted for the price-level changes each month, as part of the company's normal accounting.

With respect to Mares Australes, the case record does not contain information regarding the company's accounting consolidation process with its parent. As part of the consolidation process, however, Mares Australes would have to convert its peso accounting records to the currency in which its parent maintains its normal books and records. Thus, as with Marine Harvest, it is reasonable to conclude that Mares Australes, in effect, accounts for the price-level changes through the currency conversion process of its normal accounting consolidation. Yet, because Mares Australes reported its salmon production costs in pesos for purposes of this investigation, it is necessary for us to reflect the price level changes that are consistent with its currency conversion and consolidation. Accordingly, we have revised Mares Australes' submitted COP and CV figures to reflect price level adjustments based on the inflation index.

The Association has argued that the salmon producers' normal price-level adjustment methodologies do not reasonably reflect costs due to the low rate of inflation in Chile during the growing period for fresh Atlantic salmon harvested during the POI. Yet, the fact that the level of inflation during the years prior to the POI was not at levels experienced in Chile in the past does not make the price-level adjustment requirements under Chilean GAAP unreasonable.

Further, the Association's claim that the Department's high-inflation methodology (as stated in *Flowers from Colombia* and *Roses from Colombia*) which only requires price-level adjustments for depreciable assets is unfounded. In the specific facts present in those cases, the only restated non-monetary assets which affected the COP and CV were fixed assets, including the flower and rose plants. In this case, as well as in *Flowers from Colombia* and *Roses from Colombia*, the costs of the subject merchandise, which were accumulated over years prior to the period of investigation or review, were adjusted for the price-level changes recorded in the company's normal accounting records. Contrary to the

Association's claim, our treatment of the price-level adjustments for the live fish inventory in this case is consistent with our treatment of similar costs in *Flowers from Colombia* and *Roses from Colombia.*

Comment 28: CV Profit for Japanese Market.

The Association argues that the Department should not base CV profit on sales to the Japanese market without making an appropriate adjustment for differences in the grades sold in the U.S. and Japanese markets. According to the Association, the Department has recognized that there are physical differences between the premium-grade salmon sold in the United States and the super-premium salmon sold in Japan, and has found that it is inappropriate to make price-to-price comparisons of those sales. The Association contends that calculating CV profit based on sales of Japan (which are primarily of super-premium salmon) effectively results in a CV equivalent to the sales price of super-premium salmon in Japan. The Association argues that the use of such a NV would result in an unfair comparison, would be contrary to other case precedent, and would be inconsistent with the Department's stated recognition that price-to-price comparisons of premium to super-premium merchandise are inappropriate.

The Association proposes that, for Mares Australes (which sold both premium and super-premium salmon in Japan), the Department base CV profit only on sales of premium salmon to Japan. For the other two respondents for whom Japan is the comparison market (and who did not make any sales of premium salmon to Japan), the Association proposes an adjustment based on the percentage difference between Mares Australes' profit rates from sales of the two grades of salmon in Japan.

Alternatively, the Association proposes that the Department make price-to-price comparisons between premium and super-premium prices with a value-based difference-in-merchandise adjustment, based on the percentage difference between Mares Australes' sales prices for premium and super-premium prices in Japan.

The petitioners argue that the statute requires that CV profit be based on all sales of the foreign like product made in the ordinary course of trade in the comparison market. According to the petitioners, the statute grants the Department the authority to rely on alternative methods only when such data are unavailable.

DOC Position: This issue has been rendered moot by the Department's finding, set forth above in response to Comment 1, that there is no significant distinction between premium and super-premium grade salmon for purposes of an antidumping analysis.

Cost Issues—Eicosal

Comment 29: Company-Wide G&A.

The petitioners argue that the Department must recalculate Eicosal's G&A expenses to reflect amounts reported in the company's consolidated financial statements. According to the petitioners, such a calculation would be consistent with the Department's practice of computing G&A expenses of the respondent company as a whole, and not just for those expenses directly related to the manufacture of the product under investigation.

Eicosal claims that the Department should rely on the submitted G&A rate calculation.

DOC Position: We agree with the petitioners' assertions that the Department's normal methodology is to calculate G&A based on the producing company as a whole and not just based on G&A expenses related to the production of a particular product. We do not agree, however, that this means that the G&A expenses should be based on amounts reported in the respondent company's consolidated financial statements, as the Department's normal methodology does not rely on consolidated level G&A expense. Thus, we did not calculate Eicosal's G&A rate using the consolidated company financial statements.

Cost Issues—Mares Australes

Comment 30: Combined G&A.

Mares Australes contends that it correctly computed its G&A expenses by combining the expenses of Mares Australes and those of its affiliate, Trouw Chile. According to Mares Australes, the two companies are completely integrated and share common management and administrative operations. Thus, Mares Australes argues, in order to accurately capture the G&A expenses incurred on sales of fresh Atlantic salmon, the Department must compute G&A expenses as if Mares Australes and Trouw Chile were a single integrated business unit.

The petitioners argue that the Department should recalculate Mares Australes' G&A expenses excluding the G&A expenses of Trouw Chile. According to the petitioners, the Department's general practice is to use the G&A expenses that relate to the operations of the producer (Mares Australes) supplemented, but not commingled, with a portion of G&A expenses from the parent company. Further, the petitioners contend that Mares Australes has reported, in effect, not the G&A expenses incurred to produce salmon, but a G&A ratio which represents the results of a combined fish feed and salmon producer. The petitioners also argue that to the degree it is appropriate for Mares Australes to report feed costs based on the actual costs of its affiliate Trouw Chile, Trouw Chile's actual G&A expenses should be included in determining the COP of feed and its G&A expenses should not be mixed with those of Mares Australes.

DOC Position: We disagree with Mares Australes regarding the appropriateness of its submitted G&A expense calculation. It is the Department's practice to use the G&A expenses calculated based on information from the producer. *See, e.g., OCTG from Mexico* at 33573 (Comment 8). Trouw Chile's G&A expenses relate to its cost of producing fish feed, and do not bear upon the general expenses incurred by Mares Australes in producing salmon. For this final determination, we calculated G&A expenses for Mares Australes using amounts recorded in the company's normal books and records, and excluded the submitted information of Trouw Chile.

Comment 31: Bonus Adjustment.

Mares Australes argues that the Department should allow its adjustment to its reported labor costs so that they reflect only the cost of bonuses actually paid to employees rather than the amount accrued. Because it accrued a greater expense for employee bonuses than was actually paid out during 1996 and the excess accrual was not reversed at year-end, Mares Australes believes it should be permitted to base the expense on only the cash actually paid for bonuses. Mares Australes further argues that in order to match costs incurred during the POI with sales during the POI, the Department should include in COP only the company's ''actual'' bonus expense.

The petitioners argue that the Department should disallow Mares Australes' adjustment to bonuses and that the full amount of bonuses recognized should remain in the cost of production of Atlantic salmon. Because Mares Australes has accounted for its fiscal year on the accrual basis, that is, in the normal course of business, it recognized the expenses to be incurred for the period, whether or not yet fully paid, it should be required to report this information to the Department.

DOC Position: We agree with the petitioners that Mares Australes' bonus expense should reflect the amounts recorded in the company's audited financial statements. Mares Australes follows accrual accounting in its normal books and records. We therefore consider it inappropriate to rely on a cash-basis accounting method for bonus payments, a single expense identified by the company. Accordingly, we have included the bonus amount recognized in the company's accounting records in the cost of Atlantic salmon.

Cost Issues—Marine Harvest

Comment 32: Major Input.

Marine Harvest argues that if the Department does not rely on the costs from the company's affiliated feed producer, Marine Feed, it should use only the market prices for feed comparable to Marine Harvest's proprietary feed formula in order to value the affiliated feed purchases. According to Marine Harvest, the salmon harvested during the POI were raised on a diet of a unique proprietary feed that was produced only by Marine Feed. Marine Harvest argues that the feed prices charged by other unaffiliated feed producers cannot be used to value feed inputs produced by Marine Feed because they were for experimental trials produced with alternative feed formulations.

Marine Harvest further contends that the Department has recognized that any application of the ''major input'' rule must deal with ''identical'' or ''comparable transactions of similar inputs.'' *See, e.g., Final Determination of Sales at Less Than Fair Value: Engineered Process Gas Turbo-Compressor Systems, Whether Assembled or Unassembled, and Whether Complete or Incomplete, from Japan,* 62 FR 24394, 24411 (May 5, 1997)(Comment 15). Marine Harvest argues that, therefore, any calculation of the market price for feed must be based on unaffiliated producers of Marine Harvest's proprietary feed formula. Marine Harvest also argues that the small amount of feed sold by Marine Feed to unaffiliated purchasers demonstrates that the price charged by Marine Feed to Marine Harvest was an arm's-length market price.

The petitioners contend that the Department should value salmon feed purchases from Marine Feed at the average price of all unaffiliated purchases. The petitioners argue that there is nothing in the Department's cost verification report that supports Marine Harvest's contention that the average unaffiliated feed price was based on a product formula that could not be compared to the feed that Marine Harvest purchased from Marine Feed.

DOC Position: As discussed in our response to Comment 22, we have followed our practice of using the higher of transfer price, market value or cost of production when valuing major inputs from affiliated suppliers. Accordingly, we continue to value feed purchased from Marine Harvest's affiliated feed supplier, Marine Feed, based on the market value of the input. As to Marine Harvest's claim that the market value for its purchases from Marine Feed must be based only on purchases from unaffiliated producers of its ''proprietary'' feed formula, we note that this argument was first raised in the company's case brief and, therefore, the Department was unable to examine this claim during its verification of the submitted data. There is no record evidence detailing the recipes for Marine Harvest's affiliated or unaffiliated feed purchases. Further, there is no record evidence that feed produced using Marine Harvest's proprietary formula is not sufficiently similar to feed produced by the unaffiliated companies for purposes of comparing transfer prices to market prices under section 773(f)(2) of the Act. Therefore, we used the weighted average of Marine Harvest's purchases from all unaffiliated feed suppliers in order to value the company's affiliated feed purchases for this final determination.

Cost Issues—Camanchaca

Comment 33: Area Management Expenses.

Camanchaca argues that the Department has double-counted area management expenses in its recalculated G&A ratio. According to Camanchaca, because the company's submitted cost of manufacturing figures already included area management expenses, it was necessary to exclude these amounts from G&A in order to avoid double counting. In addition, Camanchaca claims that the Department's calculation of the company-wide G&A rate includes administration costs for non-salmon producing areas of the company. Camanchaca asserts that the G&A ratio should be calculated based only on areas related to salmon production, and cites as support for its position, the Department's decision in the *Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From South Africa,* 60 FR 22550, 22556 (May 8, 1995) (LTFV determination in *Furfuryl Alcohol from South Africa)* (Comment 15).

In rebuttal, the petitioners argue that the Department calculated correctly Camanchaca's G&A expense rate. The petitioners point out that Camanchaca did not follow the instructions in the Department's antidumping questionnaire with respect to reporting of G&A expenses. According to the petitioners, instead of reporting a company-wide G&A rate, Camanchaca shifted expenses from G&A to factory overhead by basing its G&A rate on only the salmon division of the company.

DOC Position: In recalculating G&A expenses for Camanchaca, we excluded from the company's G&A expenses the local administration costs of Puerto Montt and Tome because these costs were already included in the cost of manufacturing. Additionally, we reduced Camanchaca's company-wide G&A expenses for the amounts reported as indirect selling expenses.

As to the respondent's citation to the LTFV determination in *Furfuryl Alcohol from South Africa* case, we do not believe that this case supports Camanchaca's claim that the G&A rate should be calculated based only on areas of the company related to salmon production. In that proceeding, the respondent maintained its normal books and records in such a way that its chemical operations, including subject merchandise, maintained specific G&A accounts in the general ledger. As a result, the company's G&A rate was calculated based on the sum of the overall company G&A expenses, consistent with the Department's normal methodology, and also included certain chemical operations-specific G&A expenses.

Comment 34: G&A Expenses Allocation Base.

Camanchaca explains that the cost of goods sold figure used to calculate the G&A and financial expense ratios includes packing cost. Thus, according to Camanchaca, G&A and financial expense ratios should be applied to packing costs, which the company claims would increase the packing expense for U.S. sales.

DOC Position: We disagree with respondent that the G&A and financial expense ratios should be applied to packing costs. We note that the packing costs are included in the cost of sales denominator used in calculating Camanchaca's G&A and financial expense ratios. Thus, in order to correctly reflect the G&A and financial expenses incurred by Camanchaca, these ratios must be applied to the salmon production costs inclusive of the reported packing expenses. Moreover, in calculating packing costs it is not the

Department's practice to include G&A and financial expenses.

For this final determination, we have applied the G&A and financial expense ratios to the total of COM and packing costs. *See Final Results of Antidumping Duty Administrative Review and Partial Termination of Administrative Review: Circular Welded Non-Alloy Steel Pipe From the Republic of Korea*, 62 FR 55574, 55580 (October 27, 1997) *(Comment 6)* where the Department determined the same conclusion for this issue.

Comment 35: CV Profit Rate for Camanchaca.

Camanchaca does not have a viable home or third-country market. In the preliminary determination, the Department based normal value for Camanchaca on CV, and based CV profit on a weighted average of the profit rates of the other four Chilean producers on sales of the foreign like product in their respective comparison markets. Camanchaca argues that this method is an arbitrary and unreasonable surrogate for Camanchaca's home market profit. Camanchaca contends that the antidumping law establishes a preference for company-specific data in the calculation of profit for CV, and that the average profit realized by the four other respondents in the Japanese and Canadian markets is not a reasonable surrogate for Camanchaca's home market profit, because those respondents have very different costs, expenses, and profit levels.

Camanchaca argues that, instead, the Department should rely on Camanchaca's average profit rate from total worldwide sales, as reflected in the company's 1995 and 1996 audited financial statements. Camanchaca states that the Department has accepted the use of a company's overall worldwide profit under similar circumstances in other cases, provided that the overall profit rate reflects sales of the same general category as the foreign like product. According to Camanchaca, its operations are all fish and seafood-related, and are all related within the same general category of merchandise as fresh Atlantic salmon, so that the company's overall profit would be a reasonable and representative surrogate for home market profit from the sales of salmon.

The petitioners respond that the Department's use of an average of the profit for the other four respondents as a surrogate for Camanchaca's profit on the foreign like product is both reasonable and consistent with statutory requirements and Department practice. According to the petitioners, it would be inappropriate to use Camanchaca's worldwide profit, as that profit would reflect sales of merchandise other than the foreign like product, as well as sales made outside the POI. The petitioners note that Camanchaca has argued with respect to other issues that costs incurred in relation to other merchandise are vastly different from costs incurred on fresh Atlantic salmon, and that costs incurred outside the POI are not representative of POI costs.

The petitioners further contend that the cases cited by Camanchaca are not on point because, in those cases, the Department had acknowledged that the respondent's worldwide profit was the most appropriate basis for profit based on the record of that case.

DOC Position: We have continued to calculate the surrogate profit rate for Camanchaca based on the weighted average of the profit rates of the other respondents.

As explained in detail in the preliminary determination, the Department must calculate profit for Camanchaca in accordance with section 773(e)(2)(B)(iii) of the Act, which allows for profit to be based on ''any other reasonable method.'' Given the fact pattern in this case, we find that the use of the weighted average of the profit rates of the other respondents is a reasonable method. That weighted-average rate is based on POI sales of the foreign like product, the reliability of which the Department has ascertained through verification. Camanchaca has not provided any specific reason why the profit rates of the other respondents are unreliable, stating only that each of the other four respondents has ''different costs, expenses, and profit levels.'' *See* Association's Case Brief at II–52. We do not believe that differences in the various profit rates render an average of those rates an unreliable surrogate profit; on the contrary, the very purpose of an average rate is to capture the range of profit experienced by the other parties to the proceeding.

Moreover, we believe that it would be far less reasonable in this case to rely on Camanchaca's worldwide profit for 1995 and 1996 as a surrogate profit. First, Camanchaca's only significant market for fresh Atlantic salmon is the United States. To the extent that Camanchaca's profit on the sale of fresh Atlantic salmon has a significant weight in the company's overall profit, it is based in large part on U.S. sales that are subject to an antidumping investigation, and therefore inherently suspect. Second, as the petitioners correctly point out, Camanchaca has acknowledged with respect to other issues that costs incurred in relation to other merchandise are vastly different from costs incurred on fresh Atlantic salmon (*see* Comment 26, below), and that costs incurred outside the POI are not representative of POI costs (*see* Comment 24, above). These assertions by Camanchaca cast further doubt on the representativeness of Camanchaca's worldwide profit for a period largely outside the POI.

In view of the above, we believe that the use of the weighted average of the profit rates of the other respondents is not only reasonable (thus meeting the standard required by statute), but also preferable to the alternative methodology proposed by Camanchaca. Therefore, as in our preliminary determination, we have continued to calculate Camanchaca's profit, as facts available under section 773(e)(2)(b)(iii) of the Act, based on the profits realized by the other four respondents in sales to their respective comparison markets.

Cost Issues—Aguas Claras

Comment 36: Feed Costs.

Aguas Claras maintains that, while it agrees with the Department's conclusion that the company miscalculated the amount of discount on feed purchased from its supplier, EWOS Chile S.A. (EWOS), the amount of the correction in the Department's cost verification report overstates the actual amount of the error.

The petitioners contend that the Department should disallow the feed purchase discount paid by EWOS for reasons that are proprietary in nature. Additionally, the petitioners argue that the Department should not allow Aguas Claras to reduce its feed costs for the EWOS discount because the company had knowledge of an impending trade case when it entered into the EWOS feed agreement. Furthermore, the petitioners claim that Aguas Claras applied the feed discount to salmon which were harvested before the contract was entered into and, therefore, these fish could not have consumed any EWOS feed.

DOC Position: We disagree with Aguas Claras' claim that our adjustment to EWOS' feed discount overstates the actual amount of the company's calculation error. The amount of the discount in question was identified in Article 15 of the feed supplier contract between Aguas Claras and EWOS. Aguas Claras initially calculated its cost of EWOS-supplied feed using a methodology that tied the discount to specific feed purchases. The contract, however, does not contain any such specific provisions relating the discount to feed purchases. In fact, provisions of the contract specify only the period for which it is in effect. To correct Aguas

Claras' calculation error, we amortized the discount specified in Article 15 over the life of the contract and reduced feed cost by only the portion of the discount that was amortized within the POI. We then allocated this amount to individual fish groups based on each groups' relative biomass.

Comment 37: Unreported Costs.

Aguas Claras argues that the Department's cost verification report erroneously concluded that the respondent had not reported in its submitted COP and CV certain packing and ice costs that were recorded outside the company's normal cost accounting system. Aguas Claras claims that it included the amount of these costs related to salmon production in the minor corrections presented at the beginning of verification.

The petitioners state that the Department should include in COP and CV the packing and ice costs that Aguas Claras' failed to report.

DOC Position: We agree with the respondent. We reexamined the information on the record and determined that Aguas Claras did, in fact, include the packing and ice costs in question in the revised COP and CV figures it submitted as minor corrections at the beginning of verification. Therefore, we have not made any additional adjustment for these costs. *See* Aguas Claras Cost Verification Report at exhibits B25 (the overall reconciliation) and B1 (the minor corrections exhibit).

Comment 38: Sale of Investment.

Aguas Claras claims that because Salmofood S.A. and Antarfrio Invertec S.A. were involved in the production and processing of Atlantic salmon, it is correct to reduce the company's G&A expenses with the gain earned from the sale of its investment in the two affiliates. Aguas Claras argues that its shareholdings in the two companies were not simply passive investments but, instead, represent joint ventures related to the production of fresh Atlantic salmon. Aguas Claras asserts that there is no practical difference between the sale of fixed assets of a feed mill or processing plant, which it claims the Department recognizes in calculating G&A expenses, and the sale of shares in such a feed mill or processing company.

The petitioners argue that Aguas Claras incorrectly reduced G&A expenses for its gain on the sale of common stock in Antarfrio Invertec and Salmofood. The petitioners state that Aguas Claras did not sell the assets of these companies but instead sold only its equity investment in the companies. The petitioners claim that the gain on the sale of common stock is not a part of the day-to-day business of producing salmon. In support of its argument, the petitioners indicate that the gain was shown on Aguas Claras' income statement as ''other income.'' Therefore, the petitioners claim that Aguas Claras itself confirmed that the gain was from an investment and not related to the production of subject merchandise. The petitioners allege that the sales of the affiliated companies were not conducted for bona fide commercial reasons, but to influence the antidumping investigation.

DOC Position: For the final determination in this case, we have not reduced Aguas Claras G&A expense for the amount of gain that the company received from its sales of Salmofood and Antarfrio Invertec. It is the Department's practice to consider the disposal of fixed assets used to produce the merchandise under investigation to be a normal part of a company's operations. Thus, the Department typically accounts for the gains or losses generated from these transactions as part of G&A expense in the COP and CV calculations. *See, e.g., Minivans from Japan* at 21943. However, the Department considers the transfer of an equity interest in another company as a sale of an investment, which is unrelated to the production activities for G&A expenses. Neither is the gain or loss from an investment activity considered part of financial expenses, since the investment is unrelated to financing the company's working capital. *See, e.g., Final Determination of Sales at Less than Fair Value: Oil Country Tubular Goods from Korea,* 60 FR 33561, 33567 (June 28, 1995). Moreover, in this case, we disagree with Aguas Claras' characterization of its sale of common stock in Salmofood and Antarfrio Invertec as the equivalent of a disposal of fixed assets related to the company's salmon production. Specifically, the sale of stock in a company is, indeed, the sale of an interest in all assets of the company.

Comment 39: Cost of Idle Facility.

Aguas Claras argues that because the cost of the idled salmon smoking plant facility related solely to the production of non-subject merchandise, it properly excluded these costs from the reported G&A expenses. Aguas Claras cites several cases where the Department excluded the costs associated with idled or inactive facilities where those facilities produced non-subject merchandise.

The petitioners contend that the costs associated with the idle facilities were incorrectly excluded from G&A.

DOC Position: We agree with respondent that the costs of the idled salmon smoking plant should be excluded from the G&A expenses of the company. The Department's general practice recognizes that all costs incurred during a period should be absorbed by the company's sales of all products during that same period. As we stated in *Silicomanganese from Brazil* at 37871, we consider idle facility costs to be period costs (*i.e.,* costs that are more closely related to the accounting period rather than the current manufacturing costs). While it is the Department's general practice to include the cost of shutdowns and idle assets in the COP and CV, in this case we determined that the salmon smoking facilities were idle for only a short time and that the smoking facilities later resumed production during the POI. Therefore, the costs associated with this temporary shutdown of the smoking plant are more appropriately absorbed by the smoked salmon products sold during the POI, rather than absorbed by all products.

Comment 40: Calculation of CV Indirect Selling expenses for Aguas Claras.

Aguas Claras contends that the Department erred in including in CV a fixed amount of selling expenses for different products, rather than an amount proportionate to the cost of manufacturing of each product. Specifically, Aguas Claras notes that it sold both salmon fillets and whole salmon in the Canadian market and claims that, on a per-pound basis, salmon fillets are a higher value product than whole salmon. Aguas Claras contends that, by assigning all products the same per-unit amount of CV indirect selling expenses regardless of the value of the product, the Department's methodology is distortive. Aguas Claras proposes that the Department calculate a weighted-average selling expense ratio and, in computing CV, increase the cost of manufacturing of each product by this ratio, such that selling expenses are proportionate to costs.

The petitioners respond that, in view of the problems encountered at verification in determining the value of Aguas Claras' sales to Canada (*see* Comment 7 above), the Department should continue to apply a fixed per-pound weighted-average selling expense to CV for all products.

DOC Position: We agree with Aguas Claras, and have recalculated CV selling expenses as a percentage of cost of production, thus ensuring that the selling expenses for higher value-added products are proportionately higher than the selling expenses apportioned to

lower value-added products. This is consistent with the methodology used in *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From France, Germany, Italy, Japan, Romania, Singapore, Sweden, and The United Kingdom: Notice of Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews,* 63 FR 6512 (February 9, 1998).

We do not agree with the petitioners' argument that, due to shortcomings in Aguas Claras' recordkeeping discovered at verification, it would be more appropriate to apply a fixed average selling expense to all products. However, we cannot address the specifics of the petitioners' argument in this public forum, as a meaningful discussion is only possible by means of reference to business proprietary information. We have addressed the petitioners' argument in a separate memo to the file, which has been placed on the official record, and served upon parties with access to such information under administrative protective order.

We note that, although only Aguas Claras requested that the Department recalculate CV indirect selling expenses, to ensure consistency in our calculations for the other respondents we have also revised their CV indirect selling expenses on the same basis.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(4)(B) of the Act, we are directing the Customs Service to continue suspending liquidation of all entries of fresh Atlantic salmon from Chile, except for subject merchandise produced and exported by Camanchaca and Marine Harvest (which have *de minimis* weighted-average margins), that are entered, or withdrawn from warehouse, for consumption on or after January 16, 1998 (the date of publication of the preliminary determination in the **Federal Register**). The Customs Service shall continue to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the normal value exceeds the EP or CEP, as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.

The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average margin percentage
Aguas Claras	8.27
Camanchaca	0.21
Eicosal	10.91
Mares Australes	2.24
Marine Harvest	1.36
All Others	5.19

Section 735(c)(5)(A) of the Act directs the Department to exclude all zero and *de minimis* weighted-average dumping margins, as well as dumping margins determined entirely under facts available under section 776 of the Act, from the calculation of the ''all others'' rate. As explained above in Comment 5, we have therefore excluded the *de minimis* dumping margins for Camanchaca and Marine Harvest from the calculation of the ''all others'' rate. No dumping margins were based entirely on facts available.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the ITC of our determination. As our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing the Customs Service to assess antidumping duties on all imports of the subject merchandise entered for consumption on or after the effective date of the suspension of liquidation.

This determination is published pursuant to sections 735(d) and 777(i) of the Act.

Dated: June 1, 1998.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 98–15183 Filed 6–8–98; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–337–802]

Final Negative Countervailing Duty Determination: Fresh Atlantic Salmon from Chile

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 9, 1998.

FOR FURTHER INFORMATION CONTACT: Rosa Jeong, Marian Wells or Todd Hansen, Office of Antidumping/Countervailing Duty Enforcement, Group 1, Office 1, Import Administration, U.S. Department of Commerce, Room 3099, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–1278, 482–6309 or 482–1276, respectively.

Final Determination

The Department of Commerce (the ''Department'') determines that countervailable subsidies are not being provided to producers or exporters of fresh Atlantic salmon (''salmon'') in Chile.

Petitioners

The petition in this investigation was filed by the Coalition for Fair Atlantic Salmon Trade (''FAST'') and the following individual members of FAST: Atlantic Salmon of Maine; Cooke Aquaculture U.S., Inc.; DE Salmon, Inc.; Global Aqua—USA, llc; Island Aquaculture Corp.; Maine Coast Nordic, Inc.; ScanAm Fish Farms; Treats Island Fisheries; and Trumpet Island Salmon Farm, Inc. (collectively referred to hereinafter as the ''petitioners'').

Case History

Since the publication of the preliminary negative determination in the **Federal Register** on November 19, 1997 (62 FR 61803) (''*Preliminary Determination*''), the following events have occurred.

On December 3, 1997, the petitioners requested that the Department collect information on Law 889, a program which we had not included in our investigation because information in the petition indicated that the program was no longer in existence. The petitioners' submission included evidence that indicated that this program was in operation during the POI.

Upon a review of information on the record, we determined that because the program was included in the petition, the petitioners' request constituted a timely submission of factual information rather than a new subsidy allegation. Accordingly, on December 11, 1997, we requested that the Government of Chile (''GOC'') provide information regarding benefits provided under Chilean Law 889. The GOC submitted the requested information on January 21, 1998.

We conducted verification of the responses of the GOC from January 28 through February 11, 1998.

The petitioners and the GOC filed case and rebuttal briefs on March 4 and

March 10, 1998, respectively. The Department held a hearing on March 13, 1998.

On March 9, 1998, the petitioners amended the petition to include Trumpet Island Salmon Farm, Inc., a U.S. producer of the subject merchandise, as an additional petitioner.

Scope of Investigation

The scope of this investigation covers fresh, farmed Atlantic salmon, whether imported ''dressed'' or cut. Atlantic salmon is the species *Salmo salar,* in the genus *Salmo* of the family *salmoninae.* ''Dressed'' Atlantic salmon refers to salmon that has been bled, gutted, and cleaned. Dressed Atlantic salmon may be imported with the head on or off; with the tail on or off; and with the gills in or out. All cuts of fresh Atlantic salmon are included in the scope of the investigation. Examples of cuts include, but are not limited to: crosswise cuts (steaks), lengthwise cuts (fillets), lengthwise cuts attached by skin (butterfly cuts), combinations of crosswise and lengthwise cuts (combination packages), and Atlantic salmon that is minced, shredded, or ground. Cuts may be subjected to various degrees of trimming, and imported with the skin on or off and with the ''pin bones'' in or out.

Excluded from the scope are: (1) fresh Atlantic salmon that is ''not farmed'' (*i.e.,* wild Atlantic salmon); (2) live Atlantic salmon; and (3) Atlantic salmon that has been subjected to further processing, such as frozen, canned, dried, and smoked Atlantic salmon, or processed into forms such as sausages, hot dogs, and burgers.

The merchandise subject to this investigation is classifiable at item numbers 0302.12.0003 and 0304.10.4093 of the Harmonized Tariff Schedule of the United States (''HTSUS''). Although the HTSUS numbers are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

The Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act effective January 1, 1995 (the ''Act'').

Period of Investigation (''POI'')

The period for which we are measuring subsidies is calendar year 1996.

Subsidies Valuation Information

Benchmarks for Loans and Discount Rates: To calculate the countervailable benefit from loans and nonrecurring grants, we have used the average rates for U.S. dollar lending in Chile, as calculated by the *Superintendencia de Bancos e Instituciones Financieras* (''SBIF''), the Chilean bank supervisory agency. The U.S. dollar interest rates were used because the loans in question were denominated in U.S. dollars and the grant that was allocated over time was made in U.S. dollars.

Allocation Period: Based on information provided by the GOC, we have used nine years, the weighted-average useful life of productive assets for the Chilean salmon industry, as the allocation period in this investigation.

De Minimis Countervailable Subsidy

Pursuant to its authority under section 771(36) of the Act, the United States Trade Representative (''USTR'') has designated Chile as a ''developing country.'' *See USTR Interim Final Rule: Developing and Least-Developed Country Designations Under the Countervailing Duty Law* (15 CFR 2013). Consequently, a net countervailable subsidy rate that does not exceed two percent *ad valorem* is considered *de minimis,* in accordance with section 703(b)(4)(B) of the Act and Article 27 of the Agreement on Subsidies and Countervailing Measures (''SCM Agreement''). As discussed below, we determine that the net countervailable subsidy bestowed on fresh Atlantic salmon from Chile is less than two percent *ad valorem,* and therefore, *de minimis.*

Based upon our analysis of the petition, the responses to our questionnaires, and the information reviewed at verification, we determine the following:

I. Programs Determined To Be Countervailable

A. ProChile Export Promotion Assistance

In the preliminary determination, we found that this program conferred countervailable subsidies on the subject merchandise. Our review of the record, our findings at verification and our analysis of the comments submitted by the interested parties, summarized below, have led us to modify our findings from the preliminary determination for this program. *See infra* Comments 2 and 4 for a discussion of issues related to this program. *See also* memorandum from the team to the file, ''Calculations for Final Determination,'' dated June 1, 1998 (public version on file in the Central Records Unit of the Department of Commerce) (''*Calculation Memorandum*''). The benefit in the POI was calculated using our standard grant allocation methodology. The countervailable subsidy rate for this program is changed and is determined to be 0.04 percent *ad valorem.*

B. CORFO Export Credit Insurance Premium Assistance

In the preliminary determination, we found that this program conferred countervailable subsidies on the subject merchandise. We did not receive any comments on this program from the interested parties, and our review of the record has not led us to change any findings or calculations. Accordingly, the countervailable subsidy for this program is unchanged and is determined to be 0.01 percent *ad valorem.*

C. Law 18,634

In the preliminary determination, we found that the fiscal credit and the waiver provisions of this program conferred countervailable subsidies on the subject merchandise. Based on our review of the record and our analysis of comments on this program from the interested parties, we have changed our findings and find the entirety of Law 18,634, including the duty deferral provision which was preliminarily determined to be not countervailable, constitutes a countervailable export subsidy. *See infra* Comment 5; *see also* infra Comment 6 for a discussion of another issue that did not affect our findings. We changed our methodology for calculating the fiscal credit benefit to account for the difference between the date the GOC records the loan and the date the funds are disbursed to participants. In addition, we corrected our calculations for certain clerical errors discovered in the data submitted by the GOC. *See infra* Comment 7. Accordingly, the countervailable subsidy for this program is changed and is determined to be 0.48 percent *ad valorem.*

D. Promotion and Development Fund (Decree 15)

In the preliminary determination, we found that this program conferred countervailable subsidies on the subject merchandise. Our review of the record and our analysis of the comments on this program from the interested parties have not led us to change our findings or calculations. *See infra* Comment 11. Accordingly, the countervailable subsidy for this program is unchanged

and is determined to be 0.01 percent *ad valorem*.

E. Law 18,480

In the preliminary determination, we found that this program conferred countervailable subsidies on the subject merchandise. Our review of the record and our analysis of the comments submitted by the interested parties have led us to modify our calculations from the preliminary determination for this program. Specifically, we adjusted the denominator used to calculate the benefit for this program. *See infra* Comment 8; *see also Calculation Memorandum*. Accordingly, the countervailable subsidy for this program has been changed and is determined to be 0.06 percent *ad valorem*.

F. Law 889 (Workers' Support Program)

(As discussed in the ''Case History'' section above, Law 889 was not considered at the preliminary determination.)

Law 889, enacted in 1975, established the ''Workers'' Support Program'' for Regions I, XI and the province of Chiloé in Region X. In 1993, the eligibility was extended to the province of Palena, also in Region X. The Workers' Support Program provides grants to employers operating in those named regions in an amount equivalent to 17 percent of the taxable remuneration of the worker. The taxable remuneration of the employee must not exceed 90,000 pesos. This limit is adjusted every year according to the Consumer Price Index of the corresponding year (adjusted to 109,967 pesos during the period January 1, 1996, through May 31, 1996, and then again to 118,984 pesos for the remainder of 1996). The GOC reports that the government policy behind this program was to provide an incentive to generate new jobs in certain economically disadvantaged territories of the country by compensating for a portion of the cost of labor to employers operating in those regions.

To be eligible, the company must employ workers who are both domiciled and permanently employed in the identified regions. Certain employers including the public sector, large and medium copper and iron mining companies, state-controlled enterprises, banking and financing companies, insurance companies, and domestic (household) workers are excluded from benefits under this program. The GOC has provided information on the amount of grants received under this program by the producers and exporters of fresh Atlantic salmon.

We determine that the Workers' Support Program under Law 889 provides countervailable subsidies within the meaning of section 771(5) of the Act. The grants are a direct transfer of funds providing a benefit in the amount of the grant. Pursuant to section 771(5A)(D)(iv) of the Act, the grants are specific because they are limited to firms located in a designated geographical region.

Because these grants are made on an ongoing basis, we have treated these grants as recurring based on the analysis set forth in the *General Issues Appendix (''GIA'')*, attached to the *Final Affirmative Countervailing Duty Determination: Certain Steel Products from Austria*, 58 FR 37217, 37226 (July 9, 1993).

To calculate the subsidy rate, we divided the benefit attributable to the POI by the value of all sales by producers and exporters of salmon during the POI. *See infra* Comment 11. On this basis, we determine the countervailable subsidy for this program to be 0.51 percent *ad valorem*.

II. Programs Determined To Be Not Countervailable

Based on the information provided in the responses and the results of verification, we continue to find the following programs not countervailable for the same reasons identified in the preliminary determination:

A. Fundación Chile Assistance
B. Fund for Technological and Productive Development (FONTEC)
C. Central Bank Chapter XIX
D. Law 18,449 (Stamp Tax Exemption)
E. Article 59 of Law 824

III. Programs Determined To Be Not Used

Based on the information provided in the responses and the results of verification, we determine that the following programs were not used:

A. Institute for Technological Research (INTEC)
B. Central Bank Chapter XVIII
C. Export Promotion Fund
D. CORFO Export Credits and Long-Term Export Financing
E. Law 18,392 (Tax Exemptions)

IV. Programs Determined Not To Exist

Based on information provided by the GOC and the results of verification, we determine that the following programs do not exist:

A. GOC Guarantee of Private Bank Loans
B. Import Substitution Subsidy for New Industries
C. Tax Deductions Available to Exporters

V. Other Programs Examined

A. Export Credit Limits

In our preliminary determination, we found that Law 18,576, which authorizes banks to lend an additional five percent of their paid-in capital to exporters for their foreign currency loans, did not confer countervailable benefits on the subject merchandise. (*See Preliminary Determination* at 61808.) In *Final Affirmative Countervailing Duty Determination; Standard Carnations from Chile*, 52 FR 3313, 3315 (February 3, 1987), we found this program to be not used, stating: ''[W]e found no indication that the exporters under investigation received more loans than domestic sellers.'' At verification, we met with several representatives from private banks in Chile, as well as representatives from the Central Bank and from the SBIF. These experts indicated that bank credit limits are designed to limit a bank's loss exposure to any one client. They further stated that the decision to lend funds to an individual customer is based on a variety of factors, and that the bank will seek to prudently assess the risk associated with lending to that customer (*see* memorandum from the team to Roy A. Malmrose, Acting Director, Office I, ''Verification of the Questionnaire Responses of the Government of Chile,'' dated February 27, 1998, page 33 and Appendix 3 at page 2).

Because Law 18,576 limits the amount that a bank may lend to any individual customer, and it allows higher credit limits for export loans, it may constitute a countervailable subsidy within the meaning of section 771(5) of the Act. The GOC is directing the actions of financial institutions by setting credit limits for otherwise similarly situated domestic borrowers at a lower level than that which is available to exporters. The higher lending limits for exporters may result in exporters receiving more credit from any one bank than would otherwise be available from that bank. The higher credit limits are specific because they are contingent on exportation or anticipated exportation.

A review of the record evidence, however, has led us to conclude that any potential benefit to the subject merchandise resulting from this program would be minuscule. First, the salmon industry in Chile is fragmented, with many small- and medium-sized producers and exporters. Accordingly, the borrowing needs of any individual producer are relatively insignificant. Second, the banking industry in Chile has undergone a period of consolidation, such that the available

capital at larger banks for an individual domestic borrower is substantial. Further, record evidence indicates that the Chilean banking industry is highly competitive; there is no reason to believe loans on similar terms are not available from other banks. In fact, information on the record does not demonstrate any differential between interest rates on export loans compared to domestic loans that can be attributed to Law 18,576. Because there would likely be no impact on the overall subsidy rate in the instant investigation for the POI, we do not consider it necessary to address the issue of whether this program is countervailable or what would be the appropriate methodology for measuring any benefit accruing to the subject merchandise.

Interested Party Comments

Comment 1: The petitioners argue that Chile should be treated as a developed country subject to a *de minimis* threshold of one percent for purposes of the countervailing duty law. The GOC rebuts that Chile is a developing country and should, therefore, be subject to a two percent *de minimis* threshold.

Department's Position: As acknowledged by the parties, section 771(36) of the Act reserves the authority to designate Chile's status as developed or developing for purposes of the countervailing duty law to the USTR. Accordingly, we are not addressing this issue. *See supra* section entitled ''*De Minimis* Countervailable Subsidy.''

Comment 2: The GOC claims that ProChile assistance is not countervailable because ProChile's services are not contingent upon exports and ProChile does not promote certain products over others. According to the GOC, the fact that 46 percent of the companies using ProChile's services in 1996 did not export evinces the lack of an export requirement. The GOC further contends that the ProChile program is used by a broad range of industries from all regions of Chile, thereby proving that the program is neither *de jure* nor *de facto* specific.

Moreover, the GOC argues that ProChile's activities consist mostly of general informational activities, similar to those practiced by the U.S. Department of Commerce, International Trade Administration's Foreign Commercial Service (''FCS'') and Trade Development (''TD'') divisions. According to the GOC, ProChile provides the same services for a broad spectrum of Chilean goods and services and does not seek to promote a particular product over others.

The petitioners contend that the GOC's argument does not address the presumption of *per se* specificity for export subsidies. The petitioners argue that because the GOC assesses export potential when considering a company for participation in ProChile export promotion events, the program is contingent on exports or anticipated exports and, thus, countervailable. The petitioners note that even if 46 percent of the participating companies did not export, the majority, 54 percent, did export. The petitioners argue that the name of the division of the GOC administering the ProChile program, the Export Promotion Bureau, is further evidence that the organization provides a countervailable export promotion subsidy.

The petitioners also reject the GOC's argument that ProChiles' activities should be considered ''general informational activities.'' The petitioners assert that export promotion programs that promote a specific product or provide financial assistance, are not general export promotion.

Department's Position: For this final determination we continue to find that payments by ProChile to underwrite the cost of trade fairs held in the United States and other marketing expenses to promote, *inter alia,* Chilean salmon, are countervailable export subsidies within the meaning of section 771(5) of the Act. At these trade fairs, ProChile promoted specific products and assumed certain advertising and marketing costs for the participating firms. Consistent with footnote 4 to Article 3.1(a) of the SCM Agreement, the payments made by ProChile are tied to anticipated exportation of Chilean salmon.

Our treatment of this program as a countervailable export promotion program is consistent with our determination in *Final Affirmative Countervailing Duty Determination: Certain Fresh Atlantic Groundfish from Canada,* 51 FR 10041 (March 24, 1986) (''*Groundfish from Canada*''). In that case, we countervailed a program in which the Canadian government promoted certain products at a trade show abroad, covering advertising costs among other costs.

We agree with the GOC that ProChile provides varied services to many companies, including non-exporters, and supports general informational activities. However, our finding of countervailability in this investigation does not extend to those services and activities. We have only found countervailable ProChile's assumption of costs in connection with the salmon producers' and exporters' participation in trade fairs held in the United States.

Comment 3: The GOC claims that the trade fair, ''Event Bon Appétit,'' is not countervailable because it is part of a much broader Chilean promotion campaign that does not promote salmon over other products. According to the GOC, this program works to promote the image of Chile without assuming costs that the salmon industry would otherwise incur. In the event that the Department continues to find ''Event Bon Appétit'' to be countervailable, the GOC asserts that certain payments made after the POI should not be considered countervailable.

The petitioners counter that ''Event Bon Appétit'' is countervailable because it conferred an export subsidy to the salmon industry by promoting the export of salmon and wine to the United States over other Chilean goods. The petitioners note that this is consistent with the treatment of a similar program in the *Groundfish from Canada,* where the Department countervailed a program in which the Canadian government promoted certain products at a trade show abroad, covering advertising costs among other expenses.

The petitioners further argue that the entirety of ''Event Bon Appétit'' funding should be countervailed because it is the Department's practice to find that the benefit occurs when the recipient experiences the economic effect of the subsidy. The petitioners cite to *Final Affirmative Countervailing Duty Determination and Countervailing Duty Order; Certain Steel Wire Nails from New Zealand,* 52 FR 37196, 37197 (October 5, 1987) (''*Wire Nails from New Zealand*'') where the Department measured tax benefits on an earned basis because the amount of the benefit was known at the time a firm made an export transaction. The petitioners argue that it is irrelevant when the GOC actually disbursed funds to pay for the events that had already benefitted the salmon exporters. What is important, according to the petitioners, is when the salmon exporters experienced the economic effect of the subsidy, *i.e.,* at the time of the ProChile-sponsored event.

Department's Position: While we agree with the petitioners that ''Event Bon Appétit'' is specific in that it is contingent on exports within the meaning of section 771(5A)(B) of the Act , we disagree with them concerning the timing of the subsidy benefits. The Department's practice deems benefits to be received at the time that there is an effect on the recipient's cash flow. In the case of the provision of a good or service, this would be the time a firm pays, or in the absence of payment, would have paid, for the good or service. (*See, e.g., Countervailing Duties: Notice of Proposed Rulemaking,* 54 FR

23368 (May 31, 1989) (''*1989 Proposed Regulations*'') section 355.48(b)(2), and *GIA* at 37228–29, ''[B]enefits are generally deemed to be received at the time there is a cash flow effect on the company receiving the benefit.'') The Department occasionally makes an exception to this general rule where benefits are earned on a shipment-by-shipment basis and are known at the time of export, as was the case in *Wire Nails from New Zealand,* but, because the benefits are not associated with specific export transactions, this is not the case here. (*See also Final Results of Countervailing Duty Administrative Review: Certain Iron-Metal Castings from India,* 56 FR 52521, 52527 (October 21, 1991).)

Where the GOC paid fees in connection with this event after the POI to the firms that provided the services, the salmon exporter experienced the cash flow effect after the POI. Accordingly, we have not included payments made after the POI in our calculation of benefits from ''Event Bon Appétit.''

We have continued to find the costs paid by the GOC during the POI in putting on this event countervailable, however, as they were costs that would normally have been paid by the producers and exporters of the promoted merchandise, were targeted to the U.S. market, and were contingent on exportation.

Comment 4: The GOC argues that the ''Summer Harvest'' event is not countervailable because it was sponsored as an ''image'' event involving a broad range of products that did not promote particular products over others. The GOC asserts that many of the costs of the event were covered by private participants and no funds were provided by the GOC directly to the Chilean companies or associations. The GOC argues that if the Department calculates a benefit from the ''Summer Harvest'' event, it must use a denominator that reflects the participation of the salmon industry as one of many participating products rather than allocating all of the benefits of the event to salmon.

The petitioners assert that the ''Summer Harvest'' event is fully countervailable. The petitioners argue that the GOC should have reported the program prior to verification and that its decision not to report the program does not demonstrate that the program constitutes general export promotion. The petitioners argue that the GOC's analysis is flawed because the Department's determination of an export subsidy considers neither the examination of the number of participants nor the amount of the government contribution. According to the petitioners, the ''Summer Harvest'' event is fully countervailable because it was not limited to general informational activities, promoted particular products over others, and targeted the U.S. market. The petitioners contend that because the record lacks adequate information to properly calculate the value of the benefit conferred by this event, the Department must apply facts available.

Department's Position: We agree with the GOC that the ''Summer Harvest'' event does not constitute a countervailable subsidy. A review of the information on the record indicates that ''Summer Harvest'' was an ''image'' event that falls within the category of activities defined as ''general export promotion'' which the Department has declined to countervail in past cases. *See, e.g., Certain Fresh Cut Flowers From Mexico,* 49 FR 15007, 15008 (April 16, 1984) and *Final Affirmative Countervailing Duty Determination and Countervailing Duty Order; Cotton Sheeting and Sateen From Peru,* 48 FR 4501, 4504 (February 1, 1983); *see also 1989 Proposed Regulations* (section 355.44(m)) and *Countervailing Duties; Proposed Rule,* 62 FR 8818, 8825 (February 26, 1997) (''*1997 Proposed Regulations*''). While the GOC did consider the export potential of products on display at the event, a very broad range of products was invited to participate in an effort to position the image of Chile as a producer of high quality food products for the world market. We note that in the documentation, the participants were referred to by the GOC as ''donors'' of the merchandise on display. Although the GOC covered certain expenditures related to the event, we note that none of the outlays by the GOC for this event went to the Chilean associations participating, nor did the GOC cover any of their costs. In fact, the participants covered a significant portion of the general costs associated with this event, in addition to contributing merchandise for display (including transportation costs from Chile). Accordingly, we have not included an amount for the ''Summer Harvest'' event in our calculation of benefits to the subject merchandise from ProChile's export promotion activities.

Comment 5: The GOC argues that the fiscal credit program of Law 18,634 is not an import substitution subsidy and, thus, should not be countervailed. The GOC contends that the fiscal credit provision and the duty deferral provision are in fact a single loan program, rather than two separate ones, and when considered together for the Department's specificity analysis, the program does not constitute an import substitution subsidy.

According to the GOC, the fiscal credit and duty deferral provisions of Law 18,634 are both part of a single, unified statutory loan program whose purpose is to promote investment in capital goods regardless of the source of those goods. The GOC points out both the fiscal credit and the duty deferral are established in the same law, administered in the same manner, and their rules are set forth in the same Chilean Customs resolution. Referring to the factors set forth in the Department's *1997 Proposed Regulations* (at 8825) and *1989 Proposed Regulations* (section 355.43(b)(6)) with respect to the Department's practice in evaluating programs that are ''integrally linked,'' the GOC states that the fiscal credit and duty deferral provisions of Law 18,634 meet all of the factors. According to the GOC, an evaluation of factors demonstrates that the duty deferral and fiscal credit are not only integrally linked, but they in fact are a single loan program.

The GOC argues that the purpose and design of the fiscal credit was to ensure that imports and domestic products would be treated equally. Referring to the legislative history of Law 18,634, the GOC asserts that the fiscal credit was specifically adopted to offset the pecuniary benefits to imported goods created by the duty deferral provision.

When the fiscal credit and duty deferral provisions are considered together, the GOC argues that the fiscal credit does not create a preference for domestic goods nor are the loans issued contingent upon the purchase of domestic goods. The GOC points out that the amount of fiscal credit is equal to 73 percent of the amount of the customs duty that would be deferred under the duty deferral provision. Consequently, the GOC asserts, the program avoids any preference for domestic goods since the amount of the fiscal credit for domestic goods can never exceed the amount of the duty deferral for imported goods. The GOC further states that the conditions for obtaining a loan under this program are the same for both provisions of the law which is limited to the type and the value of the good. According to the GOC, the source of the good as either foreign or domestic does not affect the eligibility, the issuance or the condition of the loan. The GOC states that the source is only relevant in determining whether the form of the loan will be that of a fiscal credit or a duty deferral.

When considered as a single domestic subsidy program, the GOC contends that the usage information on the record demonstrates that the two provisions are not specific in that there is no disproportionate or dominant usage by the salmon industry.

The petitioners argue that the fiscal credit and the duty deferral provisions are properly analyzed as separate programs. Because the receipt of benefits is available only to purchasers of domestic goods, the petitioners assert that the fiscal credit program is a *de jure* import substitution subsidy which is *per se* specific pursuant to section 771(5A)(A) of the Act. According to the petitioners, whether the fiscal credit provision or both provisions of Law 18,634 taken together creates any ''preference'' is irrelevant to the analysis of an import substitution subsidy, *i.e.*, whether receipt of benefit is contingent on the purchase of domestic goods over imported goods. Moreover, the petitioners argue that contrary to the GOC's claims, the program encourages firms to purchase domestic goods through the issuance of interest-free credits. According to the petitioners, the duty deferral provision addresses the distortion caused by the imposition of the import tariff and, thus, allows imported capital goods to compete on an equal basis with domestic capital goods. The petitioners contend that the fiscal credit provision, on the other hand, artificially reduces the price of the domestic good that was made comparable through the duty deferral, thereby creating a preference to purchase domestic goods.

Furthermore, the petitioners argue that the ''integral linkage'' test does not apply in this situation because the test is only relevant in analyzing the *de facto* specificity of domestic subsidies. Because the fiscal credit program is specific as an import substitution subsidy, the petitioners assert that a *de facto* specificity analysis is unnecessary and irrelevant. Even assuming the integral linkage test were appropriate in this case, the petitioners argue that Law 18,634 does not satisfy the criteria set forth in the Department's integral linkage analysis. In particular, the petitioners claim that the GOC has not proven that the programs share the same purpose and that all recipients are treated equally.

Department's Position: In our preliminary determination, we analyzed the assistance provided under Law 18,634 by considering separately four components of the law. First, firms that import capital equipment are eligible to defer payment of duty. Second, if the firm that imports the equipment meets a specified export target, then the deferred duty and accrued interest are waived. Third, firms that purchase their equipment domestically are eligible to borrow up to 73 percent of the value of the duty that would have been paid if the equipment had been imported. Finally, if the firm that purchases domestically sourced equipment meets a specified export target, then the loan and accrued interest are forgiven. In our preliminary determination, we found that all the components of Law 18,634 except the first conferred countervailable subsidies. This was consistent with our determinations in past cases (*see, e.g., Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Brazil,* 58 FR 37295, 37299 (July 9, 1993) (Exemption of IPI and Duties on Imports under Decree-Law 2324)). With respect to the duty deferral, we found that the benefit was not specific.

The GOC argues that two components of the program, the duty deferral component and the loans to purchasers of domestically sourced equipment, should be treated as a single program for specificity analysis. We have not adopted this position because it amounts to picking and choosing which elements of the law should be combined in order to achieve the result that the loans to purchasers of domestically sourced equipment are not specific. Based on our review of the law and its legislative history, we have determined that the four components should be analyzed as a single program.

In its argument, the GOC points to the legislative history discussing the purpose of introducing the loans and waivers for purchases of domestically sourced equipment, *i.e.*, to avoid a preference for imported equipment. However, the same legislative history indicates that the purpose of the pre-existing duty deferral and waiver system was to promote importation of capital goods and, *at the same time*, to promote exports. (*See* January 21, 1998 GOC Submission, exhibit 8, page 2, paragraph 2.) We further note that all components of Law 18,634 are administered by Chilean Customs, and the list of eligible goods is the same for the duty deferral/waiver components as for the loan/waiver for domestically sourced equipment. Thus, the loan/waiver for domestically sourced equipment was added to and became part of an overall scheme to, *inter alia*, promote exports.

While we acknowledge that the duty deferrals and loans for purchases of domestically sourced equipment are not strictly contingent upon exportation, their overarching purpose, along with the waiver components, is to promote exports. Viewed as a whole, we determine that the benefits provided under Law 18,634 constitute an export subsidy within the meaning of section 771(5A)(B) of the Act are, therefore, specific. A benefit is conferred on the recipient firms in the amount of the waivers and to the extent that the benchmark interest exceeds the program interest on the duty deferrals and on the loans for purchases of domestically sourced equipment.

Comment 6: The petitioners argue that the fiscal credits under Law 18,634 constitute contingent liabilities which should be treated as short-term, interest-free loans in the final determination. Referring to section 355.49(f) of the *1989 Proposed Regulations*, the petitioners assert that ''where a government provides a long-term, interest-free loan, the obligation for repayment of which is contingent upon subsequent events,'' the Department's practice is to treat such loans as short-term, interest-free loans. According to the petitioners, all the conditions of section 355.49(f) are met here.

The petitioners first state that the loans are long-term because the repayment of the fiscal credits under Law 18,634 occurs at years three, five and seven from the date of receipt. Second, the petitioners point out that even though interest may be accruing, the recipient company is not required to make any principal or interest payments until the occurrence of subsequent events. According to the petitioners, the lack of payments during the period that the fiscal credits are outstanding and given the significant likelihood of a salmon company having its fiscal credit waived, the fiscal credits are in effect equivalent to a zero interest rate loan. In addition, the petitioners assert that because repayment of principal and interest is subject to a condition relating to a specific export target, the fiscal credits represent contingent liabilities. The petitioners further state that the Department treated loans with similar payment structures to Law 18,634 fiscal credits as contingent liabilities in past cases such as *Final Affirmative Countervailing Duty Determination: Carbon Steel Products from Sweden,* 50 FR 33375 (August 19, 1985) and *Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Germany,* 58 FR 37315 (July 9, 1993).

The GOC counters that because Law 18,634 fiscal credits are in fact *not* interest-free, the petitioners' proposed methodology of treating the loans as interest-free would effectively double-count interest—once when accrued interest has been waived and again

when the amount of interest is calculated. The GOC states that the cases cited by the petitioners are clearly distinguishable because the programs examined actually did involve interest-free loans. By contrast, the GOC asserts that the fiscal credits accrue interest from the invoice date of the capital good and, thus, are not interest-free for any period of time. According to the GOC, the Department's preliminary determination methodology of calculating the difference between program interest and benchmark interest accurately captured all benefits offered by the fiscal credits.

Department's Position: We agree with the GOC. While the fiscal credits may represent contingent liabilities in that repayment is conditioned upon subsequent events, the methodology contained in section 355.49(f) of the *1989 Proposed Regulations* is inapplicable because the loans are in fact not interest-free. Under the terms of Law 18,634, the interest on the fiscal credit accrues from the date of the invoice of the capital good until the time of repayment. Although the accrued interest, along with the principal, may ultimately be waived, we cannot ignore the fact that the interest may have to be paid. Despite the petitioners' argument that a salmon company was significantly more likely to have its fiscal credit waived, the fact remains that some of the borrowers did not meet the conditions and did repay the accrued interest and the principal. As stated by the GOC, by countervailing the difference between the program and the benchmark interest rate during the time the fiscal credit is outstanding and then countervailing the entire waived amount, we have accurately captured all benefits that arise from the fiscal credits.

Comment 7: The GOC argues that the Department should adjust the reported amounts for waivers of deferred duties and fiscal credits under Law 18,634 to correct for amounts that were double-counted in the database submitted by the GOC, as detailed in the GOC's January 21, 1998 submission, and supplemented in the January 27, 1998 submission.

The GOC notes that the Department verified that when there was a change in ownership of equipment on which the duty deferral or fiscal credit was claimed, that asset was reentered in the fiscal credit database although the original balance was not deleted from the original database. The GOC argues that to avoid double-counting, the Department should delete all fiscal credit entries with reference numbers less than 500,000 from the database.

Department's Position: We have corrected the amount of waivers in our final determination to exclude double-counted waivers of interest, deferred duties and fiscal credits identified by the GOC in the January 28, 1998 submission. We have not deleted all balances with reference numbers of less than 500,000 as suggested by the GOC, however, as it is the original reference number that represents the obligation of the original owner and should be deleted, not the number that represents the obligation by the subsequent purchaser. The GOC has not identified the matching reference numbers for all reference numbers less than 500,000. Accordingly, we have no assurance that the seller was a producer of the subject merchandise and that the seller's obligation for the duty deferral or fiscal credit was included in the submitted databases.

Comment 8: The petitioners argue that the Department should recalculate the benefit provided under Law 18,480 to reflect the Department's practice of tying a subsidy to the particular product that it benefits. The petitioners suggest that the Department divide the amount of grants received by the value of the salmon producers' exports of only those products eligible to receive such benefits.

The petitioners contend that by using a denominator comprised of all exports by the salmon producers and exporters, the Department significantly understated the benefits conferred by this program in the preliminary determination.

The petitioners suggest that because the GOC has not provided the information needed to calculate the correct denominator, *i.e.*, a denominator that includes only eligible merchandise, the Department should use a numerator that would include total receipts under both prongs of Law 18,480. The petitioners also assert that the GOC should have been able to identify the subject merchandise in question and the amount of benefits tied to that merchandise through the paperwork required to document each refund with the *Servicio Nacional de Aduanas* (''Chilean Customs'') and the *Tesoreria General de la Republica* (''Chilean Treasury'').

The GOC argues that the petitioners have an incorrect understanding of Law 18,480 and that the Department should continue to calculate the benefits from Law 18,480 by using all exports as the denominator and all subsidy benefits received under the domestically sourced inputs program as the numerator. The GOC asserts that using the denominator of total exports is appropriate because the reported amount of benefits for the domestic input prong of Law 18,480 was the total amount of benefits received by the responding companies on all of their exports. The GOC asserts that the petitioners' statement that there are categories of exports that are not eligible for either prong of Law 18,480 is erroneous, as eligibility for the domestic input prong of Law 18,480 is not related to the product exported.

The GOC also argues that it is not practicable for the GOC to report benefits received only on exports of the subject merchandise. The GOC insists that databases at the Chilean Customs and the Chilean Treasury do not contain a link allowing them to cross-reference and determine the amount of benefits claimed on domestic inputs based on exports of a given category of merchandise. The GOC states that it has no way to identify the exported merchandise on which benefits were claimed and therefore had no alternative but to report only the benefits received for domestically sourced inputs on all exports by producers and exporters of the subject merchandise. The GOC contends that it has acted to the best of its ability to comply with all requests from the Department during this proceeding, therefore eliminating any grounds to apply adverse facts available. According to the GOC, the Department should not add a value for the simplified duty drawback to the input credit benefits, *i.e.*, increase the numerator to match the denominator, because salmon is not eligible for the simplified duty drawback. The GOC argues that it would clearly be incorrect for the Department to countervail benefits that do not and cannot relate to the subject merchandise. The GOC argues that if the Department considers it necessary to adjust the calculation of the benefit rate for this program, the Department should reduce the denominator to exclude only those exports where the exporter was shown to have claimed simplified duty drawback on that category of merchandise.

Department's Position: The selection of an appropriate calculation methodology for this program has been complicated because there are two, potentially overlapping provisions to Law 18,480, and because of the manner in which the GOC maintains records concerning benefits under this program.

The first provision of Law 18,480 provides a simplified duty drawback for small-volume, ''non-traditional,'' exports. The second provision enables exporters to claim benefits for certain domestically sourced inputs which are incorporated into exports of other

merchandise. The subject merchandise is not eligible for the simplified duty drawback provision, however, during the POI, exporters of the subject merchandise claimed benefits for domestically sourced inputs incorporated in their exports of salmon. Exporters of the subject merchandise also exported other merchandise, for which they may have claimed benefits for domestically sourced inputs or simplified duty drawback.

As noted by the GOC, exporters of merchandise that is eligible for the simplified duty-drawback provision also have the option of claiming benefits for the inputs into that merchandise. They cannot, however, receive payments under both the simplified drawback and the provision for domestically sourced inputs for the same export transaction. Also, as noted by the petitioners, not all exports are eligible to claim benefits for domestically sourced inputs. These include, *e.g.,* exports for which regular duty drawback was claimed, exports where imported inputs exceed 50 percent of the f.o.b. value of the exported merchandise, and exports whose raw materials or main factor of production is ineligible for the simplified duty drawback and represents 85 percent or more of the f.o.b. value of the exported merchandise.

To calculate the countervailing duty rate for this program, we would prefer to have information on the benefits provided for exports of the subject merchandise, and divide that amount by the value of exports of the subject merchandise. That is not possible in this instance, however, because when the GOC receives claims for benefits for domestically sourced inputs, it records this information under the customs category of the input, not based on the merchandise that is exported. Based on our verification, we are satisfied that the GOC was not able to provide information on the amount of benefits paid on exports of the subject merchandise.

The GOC was able to provide total payments to exporters of salmon under the provision for domestically sourced inputs, which may include payments for non-subject merchandise exported by these companies. In our preliminary determination, we divided these total receipts by the value of all products exported by the salmon exporters.

For our final determination, we have modified our calculation from the preliminary determination because we believe it understated the benefit to exports of the subject merchandise. In particular, because certain exports of non-subject merchandise are eligible for the simplified drawback and because the amount of benefits the exporters would receive under the simplified drawback is generally greater than the amount they would receive under the provision for domestically sourced inputs, we have assumed that in most cases, if a claim were filed, the simplified drawback would be claimed for eligible exports. Consequently, at our request, the GOC provided information on the amount of exports eligible for simplified duty drawback and we have adjusted the denominator used in our preliminary determination to exclude exports of such merchandise.

The GOC has argued that salmon exporters may have claimed benefits for domestically sourced inputs where merchandise was also eligible for the simplified drawback and, hence, payments related to merchandise excluded from our denominator may be included in our numerator. If our assumption is correct that salmon exporters can be expected to use simplified drawback for exports of non-subject merchandise eligible for that program, rather than claim benefits for domestically sourced inputs, then our preliminary methodology dilutes the benefit calculation for the subject merchandise. This dilution would result from including exports of non-subject merchandise in the denominator that had already benefited from the simplified drawback and did not and could not have received the payments included in our numerator (benefits for domestically sourced inputs). To the extent that benefits for domestically sourced inputs were claimed for exports eligible for simplified drawback by salmon exporters, we acknowledge that the denominator may be slightly understated.

We disagree with the petitioners that the correct way to adjust our calculation would be to increase the numerator by including simplified drawback payments received on shipments of non-subject merchandise. Because the benefits available under the simplified drawback are generally much greater, this would have the effect of significantly overstating the benefit to subject merchandise. Additionally, we have not calculated the benefit from this program by using only exports of subject merchandise as the denominator, because such a methodology would clearly overstate the benefit from this program. We note that while certain exports may not receive benefits for domestically sourced inputs, this is dependent on the inputs, and not the category of merchandise exported. Thus, exports of non-subject merchandise included in our denominator are not precluded from claiming benefits for domestically sourced inputs. Consequently, to the extent that non-subject merchandise is included in the denominator, we have no evidence or reason to believe that the benefit rate claimed on this merchandise was less than the rate for benefits claimed on exports of the subject merchandise.

Under the circumstances of this investigation, we have matched our denominator to our numerator as best we can to measure the benefit to the subject merchandise. As noted above, we are satisfied that the GOC acted to the best of its ability in providing the information we requested and, hence, we are not drawing an adverse inference. However, we believe we have made reasonable assumptions and have calculated the most accurate rate possible given the information available.

Comment 9: The petitioners argue that Chile's Chapter XIX debt-for-equity swap program provided countervailable benefits to the producers of the subject merchandise. The petitioners contend that the debt-for-equity swap provided a financial contribution and that the acceptance by the Central Bank of Chile of a proposed swap was contingent, either in law or in fact, upon exportation by the applicant.

The petitioners cite anecdotal evidence included in articles written on Chapter XIX that indicate that one of the goals of the Chapter XIX program was to promote exports. The petitioners further point to regulations issued in July 1990 for Chapter XIX transactions which indicate that a preference would be given to export-oriented or import-substituting projects. Although these regulations were not in effect at the time the transactions involving producers of the subject merchandise occurred, the petitioners argue that the regulations merely codified pre-existing policies. The petitioners cite documents gathered at verification claiming that these documents demonstrate that anticipated exportation was a condition for acceptance of a proposed swap. As further evidence that Chapter XIX approvals were biased in favor of exports, and particularly in favor of non-traditional exports, the petitioners point to statistics which indicate that 70 percent of Chapter XIX projects through 1989 were in export-oriented industries, while only 11 percent were in mining which previously accounted for 58 percent of Chile's exports. The petitioners acknowledge that not every participant in the Chapter XIX debt conversion program was in an export-oriented industry however, the petitioners argue that in *Final Affirmative Countervailing Duty*

Determination and Countervailing Duty Order; Extruded Rubber Thread From Malaysia, 57 FR 38472 (August 25, 1992) (''*Extruded Rubber Thread*''), the Department found that benefits were countervailable where Pioneer status was conferred on a respondent company subject to an export commitment, stating:

> The combination of the necessary export orientation of the industry due to lack of domestic market opportunities and the explicit export condition attached to Pioneer status approval, lead us to conclude that the ''export'' side of the Pioneer Program confers an export subsidy.

The petitioners note that in the companion antidumping investigation, the Department stated that the home market for fresh Atlantic salmon is incidental to Chilean growers and that growth in the Chilean salmon industry has been almost entirely export-driven.

The GOC counters that there are statements in the same articles cited by the petitioners which indicate that the GOC took a *laissez-faire* approach to regulating Chapter XIX transactions. Concerning the July 1990 regulations, the GOC points to the transcript of a speech made in 1989 by Francisco Garcés, who at the time was the International Director of the Central Bank. In the speech, Mr. Garcé's states that the election of a new government in Chile may change the focus of the Chapter XIX program to favor export-oriented industries. The GOC notes that Mr. Garcés refers to a ''change'' in the focus, not a mere formalization of existing practice in the form of regulations. The GOC argues that the documents reviewed at verification demonstrate the opposite of what the petitioners claim, and that the documents show that the GOC did not make acceptance of proposed transactions contingent on export performance.

While the GOC does not dispute that a large number of the Chapter XIX projects involved export-oriented industries, the GOC argues that the investment projects were selected by the investors, without any guidance from the GOC. Further, the GOC notes that participants in the Pioneer Program in *Extruded Rubber Thread* made specific export commitments in order to receive benefits. According to the GOC, the Central Bank's role in reviewing proposed transactions was simply to insure that the investors were eligible and that the transactions were not fraudulent.

Finally, the GOC argues that there was no financial contribution, because the Chapter XIX projects were carried out by private individuals, with terms negotiated at arm's length.

Department's Position: We determine that the weight of the record evidence does not support a conclusion that approval of Chapter XIX proposals was contingent on export performance. The anecdotal evidence in the published articles on the record of this case is contradictory and cannot be considered conclusive. We further disagree that evidence gathered at verification indicates that export performance was a consideration in acceptance by the Central Bank of proposed transactions. Due to the proprietary nature of the verification documents, a further discussion of this issue is included in a memorandum from the team to Richard W. Moreland, Deputy Assistant Secretary for AD/CVD Enforcement, ''Analysis of Proprietary Comments Concerning Chapter XIX Debt-for-Equity Swaps,'' dated June 1, 1998.

Because we have determined any potential subsidy arising under Chapter XIX is not specific, we need not reach the question of whether there was a financial contribution on the part of the GOC.

Comment 10: The petitioners argue that Law 18,449 which provides an exemption from the Chilean stamp tax on certain financial transactions for exporters is countervailable because it is contingent upon exportation. The petitioners contend that the Chilean stamp tax exemption is not analogous to the indirect taxes ''in respect of the production and distribution of exported products'' referenced in the Illustrative List of Export Subsidies in Annex 1 of the SCM Agreement because the tax is assessed on loan documents and not the exported merchandise. The petitioners further contend that the stamp tax, as it is crafted in Chile, is not an indirect tax because it is borne by the recipient of the loan, *i.e.,* the exporter, and not borne by the merchandise. According to the petitioners, the stamp tax is not shifted forward and, therefore, behaves more like a direct than an indirect tax.

The GOC rebuts that the SCM Agreement specifically enumerates stamp taxes as an example of an indirect tax in footnote 58 to item (g) on the Illustrative List. The GOC contends that an indirect tax is almost necessarily levied on financial documents, whether the document be an invoice or a letter of credit. The GOC notes that letters of credit have been used for financing export sales for centuries, and that Chilean law requires that the financing be repaid with proceeds from export sales in order to qualify for exemption. The GOC cites *Countervailing Duties; Bicycle Tires and Tubes From Taiwan; Final Results of Administrative Review,* 48 FR 43366 (September 23, 1983) and *Final Affirmative Countervailing Duty Determination; Operators for Jalousie and Awning Windows From El Salvador,* 51 FR 41516, 41517 (November 17, 1986) as examples of previous cases where the Department has found the exemption of exporters from stamp taxes to be non-countervailable.

Department's Position: We disagree with the petitioners. First, stamp taxes are specifically enumerated in the Illustrative List as ''indirect taxes.'' Second, although the stamp tax applies to loan documents, the financing of sales through arrangements such as letters of credit is a normal activity in the distribution of exported goods. As the GOC notes, and as we confirmed at verification, Law 18,449 requires that exporters demonstrate that export financing transactions that are exempt from the stamp tax be repaid with proceeds from the financed export sales. Accordingly, we determine that the exemption of Chilean salmon exporters from the stamp tax does not give rise to countervailable benefits within the meaning of section 771(5)(E) of the Act.

Comment 11: In calculating the amount of countervailable benefits provided under the two regional programs, Law 889 and the Promotional and Development Fund, the petitioners argue that the Department should attribute the subsidies to only those products that actually benefited from the programs. The petitioners note that the Department's practice in the case of domestic subsidies is to divide the benefit by a firm's total sales of the product to which the benefit is ''tied.'' Because the benefits under both Law 889 and the Promotion and Development Fund are only available to companies located in specified regions, the petitioners argue that the subsidies are ''tied'' to the products produced in those regions.

The GOC disagrees that a ''longstanding policy'' exists with respect to tying benefits only to production in that region. The GOC asserts that the Department only ties benefits in two specific situations: (1) when the receipt of benefits is tied to sales to a particular market; or (2) when it is tied to the production of a specific good. Because neither of these situations applies to the two Chilean regional programs, the GOC contends that the subsidy rates for both programs are correctly calculated by dividing the total amount of benefits over total sales.

Department's Position: We disagree with the petitioners that our policy of tying subsidies requires us to attribute

regional subsidies only to merchandise produced in the affected regions. Our tying policy, as articulated in section 355.47 of the *1989 Proposed Regulations,* discusses tying subsidies to particular products, not to products produced in particular countries or locations. In attributing a subsidy to sales of the product or products to which it is tied, the Department normally does not define the product at a level more specific than the subject merchandise. In the present case, for example, the subject merchandise is specifically defined as ''fresh Atlantic salmon from Chile,'' not ''fresh Atlantic salmon from Region X'' or ''fresh Atlantic salmon from the Island of Chiloé.'' Furthermore, the Department does not tie the benefits of federally provided regional programs to the product produced in the specified regions. *See, e.g., Final Affirmative Countervailing Duty Determination: Fresh and Chilled Atlantic Salmon From Norway,* 56 FR 7678 (February 25, 1991). Accordingly, we have continued to calculate the countervailable subsidy from these programs by dividing the total benefit from these programs by the value of all sales of producers and exporters of salmon.

Comment 12: The petitioners argue that the Department should not use the SBIF rates it used in the preliminary determination to calculate benefits from loans and nonrecurring grants. Instead, the petitioners urge the Department to use the interest rate from a private bank, Banco Security, reported in the petitioners' June 26, 1997 submission.

In the petitioners' view, the Department should not use the SBIF rate because it is based on government lending rates. They cite to *Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination: Certain Stainless Steel Wire Rod from Italy,* 63 FR 809 (January 7, 1998) where the Department stated it ''normally does not use government interest rates in benchmark calculations,'' and to section 355.44(b)(7) of the *1989 Proposed Regulations* which stipulates that the Department use a non-governmental interest rate as a benchmark rate.

The petitioners further contend that the Export Credit Limits program as well as the Chilean encaje distort the SBIF rates. The petitioners cite *Certain Iron-Metal Castings from India: Final Results of Countervailing Duty Administrative Review,* 61 FR 64687, 64688 (December 6, 1996) (''*Castings from India*'') where the Department recognized that export financing measures, similar to those in Chile, distorted the cost of financing for non-exporters. In that case, the Department used an alternative benchmark to measure the preference provided by the program.

The GOC contends that the SBIF rate is not a government rate but rather an average of Chilean commercial bank rates, where only one of the 30 to 35 banks averaged is a state-owned bank. The GOC argues that the Banco del Estado, the only state-owned bank included in the SBIF interest rate average pool, operates as a commercial bank and that the rates it charges are commercial rates. The GOC also cites to the *1989 Proposed Regulations* which state at section 355.44(b)(9) that the Department can consider loans from government-owned banks as commercial loans. The GOC insists that the Chilean lending rates are not distorted, noting that no Chilean lending program has ever been found countervailable and Chilean law prohibits the SBIF or any other body from interfering with the lending process at private banks, thus eliminating any question of manipulation of the Chilean financial markets. The GOC asserts that the SBIF rate is the appropriate rate to use in the calculations of these final results.

Department's Position: We disagree with the petitioners that the SBIF rate is not an appropriate benchmark. As stated earlier, at verification, we met with several representatives from private banks in Chile, as well as representatives from the Central Bank and from the SBIF. All of the experts with whom we met indicated that the Chilean credit markets have ample liquidity, and that Central Bank and other government intervention in financial markets is minimal. We note that virtually all governments intervene, to some degree, in financial markets. We found no evidence that government intervention in Chile's financial markets is so pervasive that it undermines our reliance on the SBIF interest rate.

With respect to the specific arguments raised by the petitioners, we agree that the Department normally does not use government rates as benchmarks (*see* section 355.44(b)(7) of the *1989 Proposed Regulations*). However, in this instance, the SBIF rate is based on the rates of more than 30 banks, only one of which is government-owned. Moreover, there is no information to indicate that this bank, Banco del Estado, operates on anything other than commercial terms. Therefore, we do not believe the SBIF rate should be rejected on this basis.

Regarding the alleged distortions in the credit market caused by the Export Credit Limits program, we disagree that this program is analogous to the situation described in *Castings from India*. While the higher re-discount ratio on export credit financing available to banks in *Castings from India* effectively reduced the cost of advancing export credit compared to domestic credit, we have found, as discussed *supra*, that any effect on lending rates from the increased export credit ceilings is minimal.

Finally, regarding the encaje, we have analyzed the potential distortion and concluded that the encaje has not resulted in lower SBIF rates. The Chilean encaje requires banks to place 30 percent of foreign currency deposits with the Central Bank without interest for the first year. (Alternatively, the bank can pay to the Central Bank the equivalent of the interest earnings that would have been realized by the Central Bank, if such an amount had been placed in its account.) Deposits that are used to finance qualifying export credits, however, are not subject to the encaje. Such a requirement would be expected to lower interest rates on export loans denominated in a foreign currency, including dollar-denominated export loans. Because it is our understanding that these export loan rates are included in the SBIF rate, along with non-export-related dollar denominated loans, use of the SBIF rate as a benchmark could understate the benefit to the recipient. However, we have reviewed interest rate information included in the Central Bank's June 1997 *Boletin Mensual* concerning dollar indexed loans with terms of three years or greater. Dollar-indexed loans in Chile are available to domestic borrowers, and would not be subject to any potential distortion resulting from the Central Bank deposit rules regarding the encaje. Additionally, although there may be slight differences in the exchange rates actually applied, a borrower in Chile should be indifferent when choosing between a dollar-indexed loan and a dollar-denominated loan. The information on the record concerning interest rates charged on dollar-indexed loans for the five years for which data was reported indicates that the rates on dollar indexed loans were very similar to the SBIF rates. On average, the interest rate charged on dollar-denominated loans was slightly higher than that charged on dollar-indexed loans. Accordingly, the information on the record does not appear to support the petitioners' claim that the encaje renders inappropriate our use of the SBIF rate as a benchmark. Therefore, we have continued to use the SBIF rate to

calculate benefits for the ProChile and the fiscal credit and duty deferral program of Law 18,634.

Summary

The total net countervailable subsidy rate for all producers or exporters of fresh Atlantic salmon in Chile is 1.11 percent, *ad valorem*, which is *de minimis*. Therefore, we determine that countervailable subsidies are not being provided to producers, or exporters of fresh Atlantic salmon in Chile.

Verification

In accordance with section 782(i) of the Act, we verified the information used in making our final determination. We followed our standard verification procedures, including meeting with government officials and examination of relevant government records and original source documents. Our verification results are outlined in detail in the public versions of the verification reports, which are on file in the Central Records Unit (Room B–099 of the Main Commerce Building).

Return or Destruction of Proprietary Information

This notice serves as the only reminder to parties subject to Administrative Protective Order (''APO'') of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 355.34(d). Failure to comply is a violation of the APO.

This determination is published pursuant to section 703(f) of the Act.

Dated: June 1, 1998.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 98–15184 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration

Reviewer Information Form

ACTION: Proposed collection; comment request.

SUMMARY: The Department of Commerce, as a part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506 (c)(2)(A)).

DATES: Written comments must be submitted on or before August 10, 1998.

ADDRESSES: Direct all written comments to Linda Engelmeier, Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 1401 Constitution Avenue NW., Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Gay Shrum, NTIA—Room 4892, 1401 Constitution Avenue NW., Washington, DC 20230. (202–482–1056).

SUPPLEMENTARY INFORMATION:

I. Abstract

The purpose of the Telecommunications and Information Infrastructure Assistance Program (TIIAP) is to promote the widespread and efficient use of advanced telecommunications services in the public and non-profit sectors to serve America's communities. It does this by providing matching funds to public and non-profit sector organizations to use information infrastructure to provide community-wide information, health, life-long learning, public safety and other public services.

As part of the TIIAP's process to select projects for funding, external experts are used to review applications. Collection of information about potential reviewers is used to determine their eligibility and availability and to facilitate payment for services rendered if they are selected to review.

II. Method of Collection

The reporting requirements associated with this request have been updated annually during the four year history of the TIIAP program. The collection continues to be by mail with some supplementary information received via facsimile.

III. Data

OMB Number: 0660–0018.

Form Number: N/A.

Type of Review: Regular Submission—Reinstatement.

Affected Public: Experts from state and local government, non-profit institutions, and the private sector.

Estimated Number of Respondents: 130.

Estimated Time Per Response: .1 hour each.

Estimated Total Annual Burden Hours: 13 hours.

Estimated Total Annual Cost: Cost to respondents is consistent with their normal administrative overhead. No material or equipment will need to be purchased to provide information.

IV. Request for Comments

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the program, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of collection of information; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of the information collection; they also become a matter of public record.

Dated: June 3, 1998.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 98–15297 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–60–P

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Announcement of Public Comment Period on the Elimination of the Paper Visa Requirement for Taiwan

June 3, 1998.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Seeking public comments on the elimination of the paper visa requirement for Taiwan.

FOR FURTHER INFORMATION CONTACT: Lori Mennitt, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482–3821.

SUPPLEMENTARY INFORMATION:

Authority: Section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854); Executive Order 11651 of March 3, 1972, as amended.

The Electronic Visa Information System (ELVIS) allows foreign governments to electronically transfer shipment information to the U.S. Customs Service on textile and apparel shipments subject to bilateral provisions. On November 9, 1995, a notice was published in the **Federal Register** (60 FR 56576) seeking public comments on the implementation of ELVIS. Subsequently, a document published on October 31, 1997 (62 FR

58943) announced that Taiwan, starting on November 1, 1997, would begin an ELVIS dual visa system test implementation phase. This test phase does not eliminate the requirement for a valid paper visa to accompany each shipment for entry into the United States.

As a result of successful use of the dual visa system, preparations are under way to move beyond the current dual system to the paperless ELVIS system with Taiwan. However, goods exempt from visa requirements will still require a proper and correct exempt certification.

The Committee for the Implementation of Textile Agreements is requesting interested parties to submit comments on the elimination of the paper visa requirement for Taiwan and utilization of the ELVIS system exclusively. Comments must be received on or before August 10, 1998. Comments may be mailed to Troy H. Cribb, Chairman, Committee for the Implementation of Textile Agreements, room 3001, U.S. Department of Commerce, 14th and Constitution Avenue, NW., Washington, DC 20230.

The Committee for the Implementation of Textile Agreements has determined that this action falls within the foreign affairs exception of the rulemaking provisions of 5 U.S.C.553(a)(1).

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc.98–15292 Filed 6–8–98; 8:45 am]

BILLING CODE 3510–DR–F

DEPARTMENT OF DEFENSE

Office of the Secretary

Submission for OMB Review; Comment Request

ACTION: Notice.

The Department of Defense has submitted to OMB for clearance, the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Title, Associated Forms, and OMB Number: Defense FAR Supplement Part 204, Administrative Matters, and related clauses at 252.204; DD Forms 2051 and 2051–1; OMB Number 0704–0225.

Type of Request: Extension.

Number of Respondents: 108,261.

Responses per Respondent: 1.

Annual Responses: 108,261.

Average Burden per Response: 0.60 hours.

Annual Burden Hours: 65,898.

Needs and Uses: This information collection requirement pertains to information that contractors must submit to DoD to request release of unclassified data that is not in the public domain, or to provide or request assignment of a contractor and Government entity (CAGE) code. This information is used by DoD to: (1) control unclassified data that is sensitive or otherwise inappropriate for release for the contractor's stated purpose; and, (2) support efficient data exchange among automated systems for contract award, contract administration, and contract payment by assigning a unique code to each contractor doing business with DoD. The Defense Federal Acquisition Regulation Supplement (DFARS), at 204.404–70(a), prescribes the use of the clause at DFARS 252.204–7000, Disclosure of Information, when the contractor will have access to or generate unclassified information that may be sensitive and inappropriate to release to the public. This clause requires contractors to obtain contracting officer approval to release unclassified information outside of the contractor's organization unless the information is already in the public domain. In requesting such approval, the contractor must identify the specific information that will be released, the medium that will be used, and the purpose for the release. The Government reviews the information provided by the contractor to determine if it is sensitive or otherwise inappropriate for release for the stated purpose. DFARS 204.602–70 prescribes the use of the solicitation provision at 252.204–7001, Commercial and Government Entity (CAGE) Code Reporting, when CAGE codes for prospective offerors are not available to contracting officers. The provision requires an offeror to submit as part of its offer either a previously assigned CAGE code, or to ask the contracting officer to request a code from the Defense Logistics Service Center. In the latter case, the Government will obtain a CAGE code for the offeror, if it is selected for award, using the procedures at DFARS 204.7202–1.

Affected Public: Business or Other For-Profit; Not-For-Profit Institutions.

Frequency: On occasion.

Respondents Obligation: Required to obtain or retain benefits.

OMB Desk Officer: Mr. Peter N. Weiss.

Written comments and recommendations on the proposed information collection should be sent to Mr. Weiss at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503.

DOD Clearance Officer: Mr. Robert Cushing.

Written requests for copies of the information collection proposal should be sent to Mr. Cushing, WHS/DIOR, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202–4302.

Dated: June 2, 1998.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 98–15187 Filed 6–8–98; 8:45 am]

BILLING CODE 5000–04–M

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0013]

Proposed Collection; Comment Request Entitled Cost or Pricing Data Requirements and Information Other Than Cost or Pricing Data

AGENCIES: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comments regarding an extension to an existing OMB clearance (9000–0013).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Cost or Pricing Data Requirements and Information Other Than Cost or Pricing Data. The clearance currently expires on September 30, 1998.

DATES: Comments may be submitted on or before August 10, 1998.

FOR FURTHER INFORMATION CONTACT: Jeremy Olson, Federal Acquisition Policy Division, GSA (202) 501–3221.

ADDRESSEES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405.

Please cite OMB Control No, 9000–0013, Cost or Pricing Data Requirements and Information Other Than Cost Pricing Data, in all correspondence.

SUPPLEMENTARY INFORMATION:

A. Purpose

The Truth in Negotiations Act requires the Government to obtain certified cost or pricing data under certain circumstances. Contractors may request an exemption from this requirement under certain conditions and provide other information instead.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *50.51* hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The annual reporting burden is estimated as follows: Respondents, *33,332*; responses per respondent, *6*; total annual responses, *199,992*; preparation hours per response, *50.51*; and total response burden hours, *10,101,684*.

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0013, Cost or Pricing Data Requirements and Information Other Than Cost Pricing Data, in all correspondence.

Dated: June 3, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15233 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0021]

Proposed Collection; Comment Request Entitled Clean Air and Water Certification

AGENCIES: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comments regarding an extension to an existing OMB clearance (9000–0021).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Clean Air and Water Certification. The clearance currently expires on September 30, 1998.

DATES: Comments may be submitted on or before August 10, 1998.

ADDRESSES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat, 1800 F Street, NW., Room 4035, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Paul Linfield, Federal Acquisition Policy Division, GSA (202) 501–1757.

SUPPLEMENTARY INFORMATION:

A. Purpose

It is the Government's policy to improve environmental quality. Accordingly, Executive agencies must conduct their acquisition activities in a manner that will result in effective enforcement of the Clean Air Act (42 U.S.C. 7401, *et seq.*) and the Clean Water Act (33 U.S.C. 1251, *et seq.*). The information required by the Clean Air and Water Certification is used to determine a contractor's compliance with these laws. A determination of noncompliance by the contracting officer requires notifying the agency head or designee who, in turn, notifies the Environmental Protection Agency's (EPA) Administrator, or a designee, in writing. Government contracting offices use the information to determine a firm's eligibility for award of a contract and to provide information to the EPA.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *.01666* hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The annual reporting burden is estimated as follows: Respondents, *83,400*; responses per respondent, *20*; total annual responses, *1,668,000*; preparation hours per response, *.01666*; and total response burden hours, *27,800*.

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), Room 4035, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0021, Clean Air and Water Certification, in all correspondence.

Dated: June 3, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15234 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0027]

Proposed Collection; Comment Request Entitled Value Engineering Requirements

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comments regarding an extension to an extension to an existing OMB clearance (9000–0027).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Value Engineering Requirements. The clearance currently expires on September 30, 1998.

DATES: Comments may be submitted on or before August 10, 1998.

FOR FURTHER INFORMATION CONTACT: Linda Klein, Federal Acquisition Policy Division, GSA, (202) 501–3755.

ADDRESSES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR

Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405.

SUPPLEMENTARY INFORMATION:

A. Purpose

Value engineering is the technique by which contractors (1) voluntarily suggest methods for performing more economically and share in any resulting savings or (2) are required to establish a program to identify and submit to the Government methods for performing more economically. These recommendations are submitted to the Government as value engineering change proposals (VECP's) and they must include specific information. This information is needed to enable the Government to evaluate the VECP and, if accepted, to arrange for an equitable sharing plan.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *30* hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The annual reporting burden is estimated as follows: Respondents, *400*; responses per respondent, *4*; total annual responses, *1,600*; preparation hours per response, *30*; and total response burden hours, *48,000*.

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0027, Value Engineering Requirements, in all correspondence.

Dated: June 1, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15235 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0029]

Proposed Collection; Comment Request for Extraordinary Contractual Action Requests

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comments regarding an extension to an existing OMB clearance (9000–0029).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Extraordinary Contractual Action Requests. The clearance currently expires on September 30, 1998.

DATES: Comments may be submitted on or before August 10, 1998.

FOR FURTHER INFORMATION CONTACT: Linda Klein, Federal Acquisition Policy Division, GSA (202) 501–3775.

ADDRESSES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405.

SUPPLEMENTARY INFORMATION:

A. Purpose

This request covers the collection of information as a first step under Public Law 85–804, as amended by Public Law 93–155 and Executive Order 10789 dated November 14, 1958, that allows contracts to be entered into, amended, or modified in order to facilitate national defense. In order for a firm to be granted relief under the Act, specific evidence must be submitted which supports the firm's assertion that relief is appropriate and that the matter cannot be disposed of under the terms of the contract.

The information is used by the Government to determine if relief can be granted under the Act and to determine the appropriate type and amount of relief.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *16* hours per completion, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The annual reporting burden is estimated as follows: Respondents, *100;* responses per respondent, *1;* total annual responses, *100;* preparation hours per response, *16;* and total response burden hours, *1,600.*

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), Room 4035, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0029, Extraordinary Contractual Action Requests, in all correspondence.

Dated: May 28, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15236 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0036]

Proposed Collection; Comment Request Entitled Information Regarding Previous Contracts

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comment concerning an extension to an existing OMB clearance (9000–0036).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Information Regarding Previous Contracts. The clearance currently expires on September 30, 1998.

DATES: Comments may be submitted on or before August 10, 1998.

ADDRESSES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Ralph DeStefano, Federal Acquisition Policy Division, GSA, (202) 501–1758.

SUPPLEMENTARY INFORMATION:

A. Purpose

When the same item or class of items is being acquired by more than one agency, the exchange and coordination of pertinent information, particularly cost and pricing data, is necessary to promote uniformity of treatment of major issues and the resolution of particularly difficult or controversial issues. For this reason, the contracting officer, early in a negotiation of a contract, or in connection with the review of a subcontract, must request the contractor to furnish information as to the contractor's or subcontractor's previous Government contracts and subcontracts for the same or similar end items and major subcontractor components.

This information is particularly beneficial during the period of acquisition planning, presolicitation, evaluation, and preaward survey. The information is used to determine a firm's responsibility.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *15* minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The annual reporting burden is estimated as follows: Respondents, *2,000;* responses per respondent, *10;* total annual responses, *20,000;* preparation hours per response, *.25;* and total response burden hours, *5,000.*

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW., Room 4035, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0036, Information Regarding Previous Contracts, in all correspondence.

Dated: May 28, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15237 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0037]

Proposed Collection; Clearance Request Entitled Presolicitation Notice and Response, Standard Form 1417

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comment regarding an extension to an existing OMB clearance (9000–0037).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Presolicitation Notice and Response, Standard Form 1417. The clearance currently expires on September 30, 1998.

FOR FURTHER INFORMATION CONTACT: Ralph DeStefano, Federal Acquisition Policy Division, GSA (202) 501–1758.

ADDRESSES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405.

SUPPLEMENTARY INFORMATION:

A. Purpose

Presolicitation notices are used by the Government for several reasons, one of which is to aid prospective contractors in submitting proposals without undue expenditure of effort, time, and money. The Government also uses the presolicitation notices to control printing and mailing costs. The presolicitation notice response is used to determine the number of solicitation documents needed and to assure that interested offerors receive the solicitation documents. The responses are placed in the contract file and referred to when solicitation documents are ready for mailing. After mailing, the responses remain in the contract file and become a matter of record.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *10* minutes per completion, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The annual reporting burden is estimated as follows: Respondents, *5,310;* responses per respondent, *8;* total annual responses, *42,480;* preparation hours per response, *.167;* and total response burden hours, *7,094.*

Obtaining Copies of Proposals

Requester may obtain copies of OMB applications or justifications from the General Services Administration, FAR Secretariat (VRS), Room 4037, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0037, Presolicitation Notice and Response, Standard Form 1417, in all correspondence.

Dated: June 3, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15238 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0078]

Proposed Collection; Comment Request Entitled Make-or-Buy Program

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comments regarding an extension to an existing OMB clearance (9000–0078).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Make-or-Buy Program. The clearance currently expires on September 30, 1998.

DATES: Comments may be submitted August 10, 1998.

FOR FURTHER INFORMATION CONTACT: Ralph DeStefano, Federal Acquisition Policy Division, GSA (202) 501–1758.

ADDRESSES: Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat (MVRS), 1800 F Street, NW, Room 4035, Washington, DC 20405.

SUPPLEMENTARY INFORMATION:

A. Purpose

Price, performance, and/or implementation of socio-economic policies may be affected by make-or-buy decisions under certain Government prime contracts. Accordingly, Section 15.407–2, Make-or-Buy Programs, of the FAR—

(i) Sets forth circumstances under which a Government contractor must submit for approval by the contracting officer a make-or-buy program, i.e., a written plan identifying major items to be produced or work efforts to be performed in the prime contractor's facilities and those to be subcontracted;

(ii) Provides guidance to contracting officers concerning the review and approval of the make-or-buy programs; and

(iii) Prescribes the contract clause at FAR 52.215–9, Changes or Additions to Make-or-Buy Programs, which specifies the circumstances under which the contractor is required to submit for the contracting officer's advance approval a notification and justification of any proposed change in the approved make-or-buy program.

The information is used to assure the lowest overall cost to the Government for required supplies and services.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *8* hours per termination, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The annual reporting burden is estimated as follows: Respondents, *150;* responses per respondent, *3;* total annual responses, *450;* preparation hours per response, *8;* and total response burden hours, *3,600*.

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), Room 4035, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0078, Make-or-Buy Program, in all correspondence.

Dated: June 3, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15239 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0095]

Submission for OMB Review; Comment Request Entitled Commerce Patent Regulations

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for an extension to an existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Commerce Patent Regulations, Public Law 98–620. A request for public comments was published at 63 FR 15834, April 1, 1998. No comments were received.

DATES: Comments may be submitted on or before July 9, 1998.

FOR FURTHER INFORMATION CONTACT: Jack O'Neill, Federal Acquisition Policy Division, GSA (202) 501–3856.

ADDRESSES: Comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, should be submitted to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat, 1800 F Street, NW, Room 4035, Washington, DC 20405. Please cite OMB Control No. 9000–0095, Commerce Patent Regulations, in all correspondence.

SUPPLEMENTARY INFORMATION:

A. Purpose

As a result of the Department of Commerce (Commerce) publishing a final rule in the **Federal Register** implementing Public Law 98–620 (52 FR 8552, March 18, 1987), a revision to FAR Subpart 27.3 to implement the Commerce regulation was published in the **Federal Register** as an interim rule on June 12, 1989 (54 FR 25060).

A Government contractor must report all subject inventions to the contracting officer, submit a disclosure of the invention, and identify any publication, or sale, or public use of the invention (52.227–11(c), 52.228–12(c), and 52.227–13(e)(2)). Contractors are required to submit periodic or interim and final reports listing subject inventions (27.303(a); 27.304–1(e)(1)(i) and (ii); 27.304–1(e)(2)(i) and (ii); 52.227–12(f)(7); 52.227–14(e)(3)). In order to ensure that subject inventions are reported, the contractor is required to establish and maintain effective procedures for identifying and disclosing subject inventions (52.227–11, Alternate IV; 52.227–12(f)(5); 52.227–13(e)(1)). In addition, the contractor must require his employees, by written agreements, to disclose subject inventions (52.227–11(f)(2); 52.227–12(f)(2); 52.227–13(e)(4)). The contractor also has an obligation to utilize the subject invention, and agree to report, upon request, the utilization or efforts to utilize the subject invention (27.302(e); 52.227–11(h); 52.227–12 (h)).

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average *3.9* hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to General Services Administration, FAR Secretariat, 1800 F Street, NW, Room 4035, Washington, DC 20405.

The annual reporting burden is estimated as follows: Respondents, *1,200*; responses per respondent, *9.75*; total annual responses, *11,700*; preparation hours per response, *3.9*; and total response burden hours, *45,630*.

Obtaining Copies of Proposals

Requester may obtain a copy of the justification from the General Services Administration, FAR Secretariat (MVRS), Room 4035, 1800 F Street, NW, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control No. 9000–0095, Commerce Patent Regulations, in all correspondence.

Dated: June 3, 1998.

Sharon A. Kiser,

FAR Secretariat.

[FR Doc. 98–15240 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF DEFENSE

Office of the Secretary

Department of Defense Wage Committee; Notice of Closed Meetings

Pursuant to the provisions of section 10 of Public Law 92–463, the Federal Advisory Committee Act, notice is hereby given that closed meetings of the Department of Defense Wage Committee will be held on July 7, 1998; July 14, 1998; July 21, 1998; and July 28, 1998, at 10:00 a.m. in Room A105, The Nash Building, 1400 Key Boulevard, Rosslyn, Virginia.

Under the provisions of section 10(D) of Public Law 92–463, the Department of Defense has determined that the meetings meet the criteria to close meetings to the public because the matters to be considered are related to internal rules and practices of the Department of Defense and the detailed wage date to be considered were obtained from officials of private establishments with a guarantee that the data will be held in confidence.

However, members of the public who may wish to do so are invited to submit material in writing to the chairman concerning matters believed to be deserving of the Committee's attention.

Additional information concerning the meetings may be obtained by writing to the Chairman, Department of Defense Wage Committee, 4000 Defense Pentagon, Washington, DC 20301–4000.

Dated: June 3, 1998.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 98–15188 Filed 6–8–98; 8:45 am]

BILLING CODE 5000–04–M

DEPARTMENT OF DEFENSE

Department of the Navy

Record of Decision and General Conformity Determination for Realignment of E–2 Squadrons From Marine Corps Air Station (MCAS) Miramar, California

AGENCY: Department of the Navy, DOD.

ACTION: Notice of Record of Decision.

SUMMARY: The Department of the Navy, after carefully weighing the operational, environmental, and cost implications of relocating E–2 aircraft from MCAS Miramar to other Naval installations, announces its decision to realign four E–2 squadrons to Naval Air Weapons Station (NAWS) Point Mugu, California.

FOR FURTHER INFORMATION CONTACT: Ms. Kelly K. Knight, Southwest Division, Naval Facilities Engineering Command (Code 553.KK), 1220 Pacific Highway, San Diego, CA 92132, telephone (619) 532–2456.

SUPPLEMENTARY INFORMATION: The text of the entire Record of Decision is provided as follows:

The Department of the Navy (DON), pursuant to the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687), section 102(2)(C) of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4331 et seq.), and the regulations of the Council on Environmental Quality that implement NEPA procedures (40 CFR part 1500–1508), hereby announces its decision to realign 16 E–2 aircraft, relocate 988 military and civilian personnel with their families, expand and construct facilities to support aircraft and personnel, and provide associated training functions at Naval Air Weapons Station (NAWS) Point Mugu, California. The realignment to NAWS Point Mugu was identified as the Preferred Alternative in the Final Environmental Impact Statement (FEIS).

To support the additional personnel and operation and maintenance of the E–2 aircraft, eight construction projects, primarily consisting of modification or expansion of existing facilities, are required at NAWS Point Mugu.

Realignment of the E–2 squadrons will increase aircraft operations at NAWS Point Mugu. However, as these E–2 squadrons will continue to use the E–2 training ranges, including the Southern California Operations Area, there will be no increase in aircraft operations on the ranges.

Pursuant to section 176(c) of the Clean Air Act (42 U.S.C. 7476(c)), the DON has determined that the realignment of the E–2 aircraft to NAWS Point Mugu conforms to California's State Implementation Plan for Ventura County. There were no comments on the draft conformity determination published as Appendix D to the FEIS. The final conformity determination is being distributed concurrent with the ROD.

Realignment of the E–2 aircraft and operational functions will begin in July 1998 and should be completed in January 1999.

Background

The 1993 Defense Base Closure and Realignment Commission (BRAC) recommended the realignment of MCAS El Toro and MCAS Tustin to NAS Miramar. The Commission also recommended that the squadrons and related activities at NAS Miramar would move to other naval air stations, primarily NAS Lemoore and NAS Fallon in order to make room for the relocation of MCAS El Toro squadrons.

In 1995, the BRAC Commission revised the 1993 BRAC Commission recommendations as follows: ''Change the receiving sites for squadrons and related activities at NAS Miramar specified by the 1993 Commission (BRAC Commission 1993) from NAS Lemoore and NAS Fallon to other naval air stations, primarily NAS Oceana, Virginia, NAS North Island, California, and NAS Fallon, Nevada.''

As the 1995 BRAC Commission did not recommend realignment of NAS Miramar aircraft to a specific base, the DON conducted a multi-stage screening process to identify reasonable and feasible alternatives for realignment of Pacific Fleet E–2 aircraft to a west coast Naval air station. Other Navy aircraft stationed at NAS Miramar have already been realigned under separate NEPA actions.

Process

A Notice of Intent was published in the **Federal Register** on May 1, 1996, announcing that the DON would prepare an Environmental Impact Statement (EIS) which would analyze the environmental effects of the E–2 realignment and associated facilities construction.

The DON published a Notice of Availability of the Draft EIS (DEIS) in the **Federal Register** and local newspapers on November 21, 1997. Three public hearings were held in the cities of El Centro, Oxnard, and Lemoore, CA, between December 8, and December 10, 1997, to solicit comments on the DEIS. A total of 30 individuals, agencies, and organizations submitted written comments on the DEIS. The FEIS addressed all oral and written comments.

The DON published a Notice of Availability of the FEIS and a draft Final CAA Conformity Determination in the **Federal Register** and local newspapers on April 17, 1998. The DON received 13 comment letters during the 30-day public review period. Substantive comments are addressed later in this ROD.

Alternatives Considered

The DON conducted a screening process, based upon criteria set out in the DEIS, to identify a reasonable range of alternatives that would satisfy the

Navy's purpose and need. Based upon that screening process, the DON analyzed the environmental impacts of the realignment and associated construction at NAWS Point Mugu, NAS Lemoore, and NAF El Centro.

Although initially identified as a potential realignment location, NAS North Island was eliminated from further consideration in recognition of Clean Air Act requirements associated with the Marine Corps realignment to MCAS Miramar.

The DON evaluated operational, logistical, and personnel requirements, environmental impacts and costs at each of the alternative locations. Based upon this comparative analysis, the DON identified NAWS Point Mugu as the preferred alternative.

The environmentally preferred alternative is the realignment of E–2 assets and personnel to NAS Lemoore because all impacts, other than those to schools, would be less than significant. Impacts to schools would be significant but mitigable if the schools system successfully competed for federal impact aid payments.

Environmental Impacts

The DON analyzed the potential impacts of the proposed action at NAWS Point Mugu (Preferred Alternative), NAS Lemoore, and NAF El Centro for effects on biological resources, hydrology/surface water quality, land use and airspace, socioeconomics, traffic and circulation, air quality, noise, aesthetics and visual resources, utilities and services, cultural resources, public health and safety, and hazardous materials and wastes. The DON also considered whether the proposed action would be consistent with federal policies addressing environmental justice and environmental health risks to children.

This Record of Decision focuses on the significant impacts that will result from realignment of the E–2 aircraft to NAWS Point Mugu. The Preferred Alternative creates the potential for significant impacts on air quality, schools, and cultural resources at NAWS Point Mugu. Impacts on all other resources or functions analyzed in the FEIS were less than significant.

Air Quality

Emission sources under DON control will result in incremental emission increases that exceed the 25-ton-per-year de minimis threshold for ozone precursors (reactive organic compounds and nitrogen oxides) in Ventura County. The DON completed a conformity determination under section 176(c) of the Clean Air Act and EPA's implementing regulations demonstrating that the projected increases in emissions of ozone precursors conforms with the State Implementation Plan (SIP) for Ventura County. Significant reductions have occurred in activity levels at NAWS Point Mugu since 1990 that are not reflected in the emission forecasts used in the 1994 ozone SIP for Ventura County. Thus, actual emission reductions at NAWS Point Mugu between 1990 and 1996 can be considered surplus emission reductions that have not already been used in the SIP for demonstrating attainment of the federal ozone standard. Since actual post-1990 emission reductions at NAWS Point Mugu exceed the actual emissions associated with the E–2 realignment action, emissions at NAWS Point Mugu will remain within the emission budgets contained in the 1994 ozone SIP for Ventura County. Additionally, growth allowances included in the regional air quality plan accommodate most, if not all, of the remaining emission increases. As part of this realignment decision, I approve the CAA Conformity Determination included in Appendix D of the FEIS.

Schools

Approximately 116 school children will be added to Ventura County schools in 1998–99 with the realignment of the E–2 squadrons to NAWS Point Mugu. Another 37 school children from support activities will be added to Ventura County schools in 1999–2000. All affected schools in Ventura County are operating over design and expansion capacity, therefore even this small increase in student population will exacerbate the existing adverse situation.

Cultural Resources

Prehistoric subsurface deposits which are potentially eligible for the National Register of Historic Preservation may be disturbed or destroyed during construction activities at NAWS Point Mugu.

Mitigation

Schools

School districts may be eligible for federal funding which aids local school districts in the education of military children. Schools must apply for impact aid, and funds are paid directly by the Department of Education. the DON will assist, to the extent practicable, affected schools in their pursuit for federal impact aid. Implementation of this mitigation may reduce the level of impact to one that is less than significant. However, mitigation may not fully compensate school districts for the cost of education.

Cultural Resources

Any contract, lease, or permit for construction at NAWS Point Mugu in conjunction with the implementation of the proposed action will include a requirement to halt work in the event of a discovery of archaeological materials. In such an event, the Contracting Officer will be notified immediately, and the NAWS Point Mugu archaeologist will document and evaluate the resource before work in the discovery area continues. Implementation of this mitigation measure will reduce the impact to a less than significant level.

Response to Comments Received Regarding the Final Environmental Impact Statement

The DON received comments on the FEIS from two federal agencies, two state agencies, six local agencies, two citizen groups and one individual. Substantive comments are addressed below.

General

The Environmental Protection Agency requested more details on the baseline conditions at the Naval activities. The FEIS provided sufficient information to allow the decision maker and the public to identify the impacts of the proposed action.

Traffic/Circulation

One commenter stated the DON must pay a local Traffic Mitigation Fee for cumulative traffic impacts within Ventura County. The DON has no legal authority to pay this fee.

Noise

One commentor requested that DON conduct noise monitoring in adjacent communities. The noise modeling analyses presented in the FEIS are based on standard procedures widely used for commercial and military airfields. These procedures have been validated and are sufficient to predict the resultant noise levels in the NAWS Point Mugu vicinity from the additional aircraft operations.

Utilities and Services

One commentor expressed concern that the potential impacts to schools would be completely mitigated by federal payments to the school districts. The U.S. Department of Education (DOE) is the federal agency responsible for providing funds to school districts who educate large numbers of military children.

It is reasonable to expect that DOE will provide a portion of the cost for the military children's education. The precise dollar amount of the impacts cannot be calculated until the students are actually enrolled in the schools and the school district files an official application to DOE for receipt of impact aid funds.

Public Health and Safety

One commentor expressed concern that during Santa Ana wind conditions, the accident potential over the cities of Oxnard, Camarillo, and Port Hueneme would increase. The Air Installation Compatibility Use Zone Program included Santa Ana conditions in the calculations for the Accident Potential Zones (''APZs'') shown in the FEIS. The APZs identified for Runway 03/21 mainly encompass agricultural land with the exception of the Naval Air Mobile Home Park.

Hazardous Material and Wastes

One commentor expressed concerns regarding the proportional increased risk of fuel spills from E–2 aircraft fuel handling. Spill prevention is an inherent part of NAWS Point Mugu fueling operations. All personnel who handle hazardous materials and wastes participate in a quarterly training update and are provided specific spill response guidance for their work areas.

Conclusions

In deciding where to realign E–2 aircraft from MCAS Miramar, I considered the following: the 1995 BRAC Commission recommendations; E–2 operational requirements; costs associated with construction of facilities, operation and maintenance of aircraft, and training of personnel; environmental impacts; and the comments received during the DEIS and FEIS review periods.

After carefully weighing all of these factors, I have decided, on behalf of the Department of the Navy, to direct realignment of four Pacific Fleet E–2 squadrons to NAWS Point Mugu. Environmental impacts are slightly more than the NAS Lemoore and NAF El Centro alternatives; however, the NAWS Point Mugu alternative is operationally preferred because of close proximity to operating areas, is the least expensive alternative and it fully uses excess capacity at NAWS Point Mugu.

Implementation of the Naws Point Mugu alternative will result in significant but manageable impacts to air quality and schools. Potentially significant adverse impacts to cultural resources will be mitigated to less than significant levels. The DON will implement the mitigation measures identified in this Record of Decision.

Dated: June 2, 1998.

Duncan Holaday,

Deputy Assistant Secretary of the Navy (Installations and Facilities).

[FR Doc. 98–15328 Filed 6–8–98; 8:45 am]

BILLING CODE 3810–FF–M

DEPARTMENT OF DEFENSE

Department of the Navy

Notice of Intent To Grant Exclusive Patent License; Environics, Inc.

AGENCY: Department of the Navy, DOD.

ACTION: Notice.

SUMMARY: The Department of the Navy hereby gives notice of its intent to grant to Environics, Inc., a revocable, nonassignable, exclusive license in the United States to practice the Government owned invention described in U.S. Patent Application Serial No. 08/625,506 entitled ''Atmospheric Ozone Concentration Detector,'' filed March 29, 1996.

DATES: Anyone wishing to object to the grant of this license must file written objections along with supporting evidence, if any, not later than August 10, 1998.

ADDRESSES: Written objections are to be filed with the Office of Naval Research, ONR 00CC, Ballston Tower One, 800 North Quincy Street, Arlington, Virginia 22217–5660.

FOR FURTHER INFORMATION CONTACT: Mr. R.J. Erickson, Staff Patent Attorney, Office of Naval Research, ONR 00CC, Ballston Tower One, 800 North Quincy Street, Arlington, Virginia 22217–5660, telephone (703) 696–4001.

(Authority: 35 U.S.C. 207, 37 CFR Part 404)

Dated: May 26, 1998.

Lou Rae Langevin,

LT, JAGC, USN, Alternate Federal Register Liaison Officer.

[FR Doc. 98–15207 Filed 6–8–98; 8:45 am]

BILLING CODE 3810–FF–P

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sunshine Act Meeting

Pursuant to the provision of the ''Government in the Sunshine Act'' (5 U.S.C. § 552b), notice is hereby given of the Defense Nuclear Facilities Safety Board's (Board) meeting described below.

TIME AND DATE OF MEETING: 9:00 a.m., June 24, 1998.

PLACE: The Defense Nuclear Facilities Safety Board, Public Hearing Room, 625 Indiana Avenue, NW, Suite 300, Washington, DC 20004.

STATUS: Open.

MATTERS TO BE CONSIDERED: The Defense Nuclear Facilities Safety Board will convene the seventh quarterly briefing regarding the status of progress of the activities associated with the DOE's Implementation Plan for the Board's Recommendation 95–2, Integrated Safety Management. In addition to overall status, discussions will focus on feedback and improvements programs, and preparation of lists of requirements based on DOE approved processes such as Work Smart Standards.

CONTACT PERSON FOR MORE INFORMATION: Robert M. Anderson, General Counsel, Defense Nuclear Facilities Safety Board, 625 Indiana Avenue, NW, Suite 700, Washington, DC 20004, (800) 788–4016. This is a toll-free number.

SUPPLEMENTARY INFORMATION: The Defense Nuclear Facilities Safety Board reserves its right to further schedule and otherwise regulate the course of this meeting, to recess, reconvene, postpone or adjourn the meeting, and otherwise exercise its authority under the Atomic Energy Act of 1954, as amended.

Dated: June 5, 1998.

John T. Conway,

Chairman.

[FR Doc. 98–15506 Filed 6–5–98; 3:48 pm]

BILLING CODE 3670–01–M

DEPARTMENT OF ENERGY

Environmental Management Site-Specific Advisory Board, Nevada Test Site

AGENCY: Department of Energy.

ACTION: Notice of open meeting.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) notice is hereby given of the following Advisory Committee meeting: Environmental Management Site-Specific Advisory Board (EM SSAB), Nevada Test Site.

DATES: Wednesday, July 1, 1998: 5:30 p.m.—9:00 p.m.

ADDRESSES: U.S. Department of Energy, Nevada Support Facility, Great Basin Room, 232 Energy Way, North Las Vegas, Nevada.

FOR FURTHER INFORMATION CONTACT: Kevin Rohrer, U.S. Department of Energy, Office of Environmental Management, P.O. Box 98518, Las Vegas, Nevada 89193–8513, phone: 702–295–0197.

SUPPLEMENTARY INFORMATION:

Purpose of the Board: The purpose of the Advisory Board is to make recommendations to DOE and its regulators in the areas of environmental restoration, waste management, and related activities.

Tentative Agenda

5:30 p.m. Call to Order
5:40 p.m. Presentations
7:00 p.m. Public Comment/Questions
7:30 p.m. Break
7:45 p.m. Review Action Items
8:00 p.m. Approve Meeting Minutes
8:10 p.m. Committee Reports
8:45 p.m. Public Comment
9:00 p.m. Adjourn

Copies of the final agenda will be available at the meeting.

Public Participation: The meeting is open to the public. Written statements may be filed with the Committee either before or after the meeting. Individuals who wish to make oral statements pertaining to agenda items should contact Kevin Rohrer, at the telephone number listed above. Requests must be received 5 days prior to the meeting and reasonable provision will be made to include the presentation in the agenda. The Designated Federal Officer is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business.

Minutes: The minutes of this meeting will be available for public review and copying at the Freedom of Information Public Reading Room, 1E–190, Forrestal Building, 1000 Independence Avenue, SW, Washington, DC 20585 between 9:00 a.m. and 4 p.m., Monday-Friday, except Federal holidays. Minutes will also be available by writing to Kevin Rohrer at the address listed above.

Issued at Washington, DC on June 3, 1998.

Rachel M. Samuel,

Deputy Advisory Committee Management Officer.

[FR Doc. 98–15280 Filed 6–8–98; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP97–774–000]

CNG Transmission Corporation and Texas Eastern Transmission Corporation; Notice of Site Visit

June 3, 1998.

On June 9 an 10, 1998, the Office of Pipeline Regulation staff will conduct a site visit, with representatives of CNG Transmission Corporation, of the Market Area Storage Project in Westmoreland County, Pennsylvania.

All interested parties may attend. Those planning to attend must provide their own transportation.

For further information, please contact Paul McKee at (202) 208–1088.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15215 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–91–005]

CNG Transmission Corporation; Notice of Tariff Compliance Filing

June 3, 1998.

Take Notice that on May 29, 1998, CNG Transmission Corporation (CNG) tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following tariff sheets:

Thirty-Seventh Revised Sheet No. 32
Thirty-Seventh Revised Sheet No. 33
Sub. Second Revised Sheet No. 361A

CNG states that proposed Sheet 361A contains CNG's revised tariff language to Section 18.5 of the General Terms and Conditions of its FERC Gas Tariff addressing the implementation of CNG's Accelerated Capital Recovery Mechanism (ACRM) surcharge. Revised Sheet Numbers 32 and 33 reflect the implementation of the ACRM surcharge. CNG requests an effective date of June 15, 1998, for the revised Section 18.5, the date which the Commission accepted CNG's ACRM surcharge in the above-referenced Orders.

CNG states that the purpose of this filing is to comply with the Commission's January 14, 1998 Order to reflect an effective date of June 15, 1998 for Section 18.5. CNG proposes to actually assess the surcharge effective July 1, 1998 to avoid multiple administrative difficulties. These include billing complications due to multiple rates for the same month, and interference with capacity release transactions. Further, CNG's request is analogous to GISB standard 1.3.28 that prohibits a mid-month rate change for fuel retention.

CNG states that copies of its filing has been mailed to CNG's customers and interested state commissions.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, NW., Washington, DC 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15223 Filed 6–9–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–234–000]

CNG Transmission Corporation; Notice of Tariff Filing

June 3, 1998.

Take notice that on May 29, 1998, CNG Transmission Corporation (CNG) tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following tariff sheets, with an effective date of July 1, 1998:

Thirty-Eighth Revised Sheet No. 32
Thirty-Eighth Revised Sheet No. 33
Third Revised Sheet No. 361A

CNG states that proposed Sheet 361A contains CNG's revised tariff language to Section 18.5, Accelerated Capital Recovery Mechanism (ACRM) surcharge, of the General Terms and Conditions of its FERC Gas Tariff. Revised Sheet Numbers 32 and 33 reflect the revised ACRM surcharge. CNG requests an effective date of June 15, 1998, for the revised Section 18.5, the date which the Commission accepted CNG's ACRM surcharge in the above-referenced Orders.

CNG states that the purpose of this filing is to revise CNG's ACRM surcharge. As revised, CNG would bill this surcharge July 1, 1998, through December 31, 2000, in accordance with the proposed Section 18.5 of the General Terms and Conditions set forth in CNG's FERC Gas Tariff. Although the Commission approved the surcharge effective June 15, 1998, CNG proposes to actually assess the surcharge effective July 1, 1998 to avoid multiple administrative difficulties. These include billing complications due to multiple rates for the same month, and interference with capacity release transactions. Further, CNG's request is analogous to GISB standard 1.3.28 that

prohibits a mid-month rate change for fuel retention.

CNG states that copies of its filing have been mailed to CNG's customers and interested state commissions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15224 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–236–000]

Discovery Gas Transmission LLC; Notice of Proposed Changes in FERC Gas Tariff

June 3, 1998.

Take notice that on June 1, 1998, Discovery Gas Transmission LLC (Discovery) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the following tariff sheets, to become effective July 1, 1998:

First Revised Sheet No. 33
First Revised Sheet No. 44
First Revised Sheet No. 53

Discovery states that the revised tariff sheets clarify the timing of changes to the retention percentage under Discovery's Lost and Unaccounted for Gas provision in its FT–1, FT–2, and IT Rate Schedules. Since the first flow of gas did not occur until January 1998, Discovery does not have adequate information at this time upon which to base a revision of this rate. In order to have a full year of data on which to determine actual system losses, Discovery proposes to clarify each of its rate schedules as follows: (1) the initial retention rate of 0.5% will be effective until July 1, 1998, and (2) beginning July 1, 1999, the retention rate will be revised annually, if necessary, based on the data from the previous calendar year.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed and provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15225 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP97–114–008]

Equitrans, L.P.; Notice of Proposed Changes in FERC Gas Tariff

June 3, 1998.

Take notice that on June 1, 1998, Equitrans, L.P. (Equitrans) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the following revised tariff sheets to become effective June 1, 1998:

Third Revised Sheet No. 232A
Second Revised Sheet No. 232B

Equitrans states that this filing is made in compliance with Order No. 587. Equitrans states that the Commission previously granted them a one year extension of time, until June 1, 1998, to meet the imbalance reporting requirements established by GISB on its gathering system. Since the Commission's order, Equitrans has installed certain facilities and made certain enhancements to its gas management system which enable it to provide imbalance reports to all customers by the ninth business day after the close of the month.

Equitrans states that it is currently fully complying with GISB standards on imbalance reporting, and has been since late 1997. This filing is intended solely to revise Section 12(a)(i) of its General Terms and Conditions, to provide that imbalance reports to all customers will be provided by the ninth business day following the close of the month, consistent with GISB standards and Equitrans' current practice.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15220 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket Nos. TM98–4–4–000 and RP98–155–001]

Granite State Gas Transmission, Inc.; Notice in Proposed Changes in FERC Gas Tariff

June 3, 1998.

Take notice that on May 29, 1998, Granite State Gas Transmission, Inc. (Granite State) tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, the revised tariff sheets below for effectiveness on July 1, 1998:

Fourteenth Revised Sheet No. 21
Fifteenth Revised Sheet No. 22
Substitute First Revised Sheet Nos. 333 and 334

According to Granite State, the foregoing tariff sheets propose a revised quarterly Power Cost Adjustment (PCA) surcharge for the third quarter of 1998, together with a reconciliation factor for prior period undercollections of reimbursable electric power costs for which Granite State is charged by Portland Pipe Line Corporation under the provisions of a lease of a pipeline and which Granite State recovers through the PCA.

Granite State further states that it filed a quarterly adjustment under its PCA tariff tracking provision on March 2, 1998 for effectiveness on April 1, 1998,

together with a reconciliation for prior period undercollections. It is said that the proposed reconciliation was rejected in an order issued April 1, 1998 on the grounds that the reconciliation procedure appeared to recover reimbursable power costs incurred prior to the date that the PCA became effective on April 1, 1997.

Granite State says that the April 1, 1998 order established a Technical Conference in the proceeding which was held May 19, 1998, during which the Staff made certain recommendations concerning the PCA tracking procedure and particularly the reconciliation methodology for undercollections of the electric power costs. According to Granite State, the revised tariff sheets listed above incorporate Staff suggested revisions in the PCA procedure to establish separate surcharge components for the projected electric power costs in each quarterly filing and a separate surcharge component for the recovery of uncollected costs in prior periods. Granite State further states that the foregoing revised tariff sheets and surcharge calculations also reflect Granite State's understanding of its authorization to collect prior period undercollections through the reconciliation procedure in the PCA.

Granite State also states that during the Technical Conference the Staff disagreed with granite State's interpretation of the authorization to collect prior period undercollections of the electric power costs billed by Portland Pipe Line, particularly such costs incurred prior to April 1, 1997. Granite State has also tendered in this filing the alternate revised tariff sheets listed below for effectiveness on July 1, 1998:

Alternate Fourteenth Revised Sheet No. 21
Alternate Fifteenth Revised Sheet No. 22
Alternate Substitute Revised Sheet Nos. 333 and 334

Acccording to Granite State the foregoing alternate revised tariff sheets reflect in the PCA reconciliation methodology and calculation of the PCA surcharge the Staff's view of Granite State's authorization to recover prior period reimbursable electric power costs.

According to Granite State, copies of its filing have been served on its firm customers, Bay State Gas Company and Northern Utilities, Inc., and on the regulatory agencies of the states of Maine, Massachusetts and New Hampshire.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15229 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. TM98–2–53–000]

K N Interstate Gas Transmission Co.; Notice of Tariff Filing

June 3, 1998.

Take notice that on June 1, 1998, K N Interstate Gas Transmission Co. (KNI) tendered for filing as part of its FERC Gas Tariff, the following revised tariff sheets, to be effective July 1, 1998:

Third Revised Volume No. 1–A

1st Rev First Revised Sheet No. 4–E
1st Rev First Revised Sheet No. 4–F
First Revised Volume No. 1–C
1st Rev Substitute Ninth Revised Sheet No. 4

KNI states that this filing adjusts KNI's fuel and loss reimbursement percentages through the reconciliation of KNI's actual fuel and loss volumes with the quantity retained in kind for calendar year 1997, as adjusted. KNI proposes an effective date of July 1, 1998 for the revised fuel and loss percentages.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15228 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. MT98–11–000]

National Fuel Gas Supply Corporation; Notice of Proposed Changes in FERC Gas Tariff

June 3, 1998.

Take notice that on May 29, 1998, National Fuel Gas Supply Corporation (National) tendered for filing as part of its FERC Gas Tariff, Fourth Revised Volume No. 1, the following tariff sheets to become effective July 1, 1998:

Second Revised Sheets Nos. 434 and 435

The proposed changes would reflect that National has ended its affiliation with two entities which it treated as marketing affiliates, that a marketing affiliate changed its name, and that a shared employee is no longer a part of the unbundled sales operating unit.

National's proposed tariff sheets are filed to comply with the requirement in 18 CFR 250.16 that pipelines which conduct transportation transactions with affiliated marketing or brokering entities must update and refile, to reflect changes, the tariff provisions required by that regulation.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public

inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15217 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP97–248–005]

Northern Natural Gas Company; Notice of Reconciliation Report

June 3, 1998.

Take notice that on May 29, 1998, Northern Natural Gas Company (Northern), filed a Reconciliation Report which compares the Order 528 balance as of March 1, 1997 with total collections as of February 28, 1998.

Northern states that in this filing, Northern is demonstrating that the collections resulted in a net underrecovery and thus, no refunds are warranted.

Northern states that copies of the filing were served upon Northern's customers and interested State Commissions.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed on or before June 10, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15221 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98–567–000]

PG&E Gas Transmission, Northwest Corporation; Notice of Request Under Blanket Authorization

June 3, 1998.

Take notice that on May 20, 1998, PG&E as Transmission, Northwest Corporation (Applicant), 2100 Southwest River Parkway, Portland, Oregon, filed in Docket No, CP98–567–000 a request pursuant to Sections 157.205 and 157.211 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205 and 157.211) for approval to replace an existing meter set and modify regulator equipment at an existing meter station in Umatilla, Washington, for delivery of natural gas to Cascade Natural Gas Corporation, pursuant to Section 7(c) of the Natural Gas Act (NGA), all as more fully set forth in the request which is on file with the Commission and open to public inspection.

Any person or the Commission's Staff may, within 45 days of the issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.214), a motion to intervene and pursuant to Section 157.205 of the regulations under the Natural Gas Act (18 CFR 157.205), a protest to the request. If no protest is filed within the time allowed therefor, the proposed activities shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15216 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–237–000]

Tennessee Gas Pipeline Company; Notice of Tariff Filing

June 3, 1998.

Take notice that on June 1, 1998, Tennessee Gas Pipeline Company (Tennessee), tendered for filing as part of its FERC Gas Tariff, Fifth Revised Volume No. 1, the following revised tariff sheets, with an effective date of July 1, 1998:

Sixth Revised Sheet No. 38
Fifth Revised Sheet No. 39
Fifth Revised Sheet No. 40
Fifth Revised Sheet No. 41
Fifth Revised Sheet No. 42
Second Revised Sheet No. 43
Second Revised Sheet No. 44
Second Revised Sheet No. 45

Tennessee states that these tariff sheets set forth revisions to Tennessee's tariff provisions concerning collection of Tennessee's take-or-pay transition costs through fixed charges. The amount filed to be collected under the foregoing tariff sheets is $1,884,552, which includes $356,769 of market area volumetric costs proposed to be collected through fixed charges.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15226 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–238–000]

Tennessee Gas Pipeline Company; Notice of Cashout Report

June 3, 1998.

Take notice that on June 1, 1998, Tennessee Gas Pipeline Company (Tennessee) tendered for filing its fourth annual cashout report for the September 1996 through August 1997 period.

Tennessee states that the cashout report reflects a net cashout gain during this period of $2,603,963. The report also reflects a reduction in Tennessee's cumulative losses to date from cashout operations to approximately $8,111,644.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before June 10, 1998. Protests will be considered by the Commission

in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15227 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP97–344–009]

Texas Gas Transmission Corporation; Notice of Proposed Changes in FERC Gas Tariff

June 3, 1998.

Take notice that on May 29, 1998, Texas Gas Transmission Corporation (Texas Gas) tendered for filing to become part of its FERC Gas Tariff, First Revised Volume No. 1, the revised tariff sheets listed on Appendix A to the filing.

Texas Gas hereby files to place into effect on June 1, 1998 and July 1, 1998, respectively, a voluntary interim rate reduction as reflected on the tariff sheets listed on Appendix A. The interim reduced base rates set forth on such sheets are proposed to go into effect June 1, 1998 and July 1, 1998 as provided thereon and are to remain in effect on a month-to-month basis pending final Commission action on the certified settlement in the captioned proceeding.

Texas Gas States that copies of the revised tariff sheets are being mailed to Texas Gas' jurisdictional customers and interested state commissions.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15222 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. TM98–4–18–000]

Texas Gas Transmission Corporation; Notice of Proposed Changes in FERC Gas Tariff

June 3, 1998.

Take notice that on May 29, 1998, Texas Gas Transmission Corporation (Texas Gas) tendered for filing to become part of its FERC Gas Tariff, First Revised Volume No. 1, the following revised tariff sheets, with an effective date of July 1, 1998:

Twenty-seventh Revised Sheet No. 10
Tenth Revised Sheet No. 10A
Twenty-fourth Revised Sheet No. 11
Eleventh Revised Sheet No. 11B

Texas Gas states that the filing reflects the expiration of the Miscellaneous Revenue Credit Adjustment and ISS Revenue Credit (Docket No. TM97–4–18–000) originally filed on May 30, 1997, and approved by the Commission in its Letter Order dated June 25, 1997.

Texas Gas states that copies of the revised tariff sheets are being mailed to Texas Gas' jurisdictional customers and interested state commissions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15230 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP92–236–014]

Williston Basin Interstate Pipeline Company; Notice of Reconciliation Filing

June 3, 1998.

Take notice that on April 29, 1998, Williston Basin Interstate Pipeline Company (Williston) filed a corrected Rate Schedule IT–1 Revenue Crediting Reconciliation Filing and Nomination Variance Charge Credits Report. Upon review of its original April 24, 1988 filing, Williston discovered errors on the following sheets: Appendix B, Schedule 1, Page 1 of 3; Appendix B, Schedule 1, Page 2 of 3; Appendix B, Schedule 3, Pages 1 through 7 of 7, Appendix C, Schedule 1, Page 1 of 3; Appendix C, Schedule 1, Page 2 of 3; and, Appendix C, Schedule 3, Pages 1 and 2 Page 2 of the Transmittal Letter.

Williston requests that the Commission replace the Transmittal Letter and the above-listed filed on April 24, 1998, with the enclosed Transmittal Letter and the following sheets: Appendix B, Schedule 1, Page 1 of 3; Appendix B, Schedule 1, Page 2 of 3; Appendix B, Schedule 3, Pages 1 through 6 of 6; Appendix C, Schedule 1, Page 1 of 3; Appendix C, Schedule 1, Page 2 of 3; and Appendix C, Schedule, 3, Pages 1 and 2 of 2.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed on or before June 10, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15219 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2232–346]

Duke Energy Corporation; Notice of Availability of Environmental Assessment

June 3, 1998.

An environmental assessment (EA) is available for public review. The EA was prepared for an application filed on May 30 1997, by the Duke Energy Corporation, licensee for the Catawba-Wateree Hydroelectric Project. In its application, the licensee requests permission from the Commission to allow Crescent Resources, Inc. (Crescent) to dredge a 0.69 acre area of lake bottom to improve boat access to previously approved, yet unconstructed, boat slips. About 7,500 cubic yards of lake bottom would be removed. By order dated September 7, 1996, the Commission granted the licensee permission to allow Crescent to construct a boat ramp and 191 boat slips at the subject site to accommodate the residents of Harbour Subdivision. After further evaluation, Crescent determined that dredging is needed to provide adequate boat access to some of the slips. The EA considers the environmental effects of constructing and using the floating slips as well as the proposed dredging activity.

The EA finds that the proposed action would not constitute a major Federal action significantly affecting the quality of the human environment.

The EA was written by staff in the Office of Hydropower Licensing, Federal Energy Regulatory Commission. Copies of the EA can be obtained by calling the Commission's Public Reference Room at (202) 208–1371.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–15218 Filed 6–8–98; 8:45 am]

BILLING CODE 6717–01–M

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6109–4]

Agency Information Collection Activities: Proposed Collection; Comment Request; National Pollutant Discharge Elimination System and Sewage Sludge Management State Programs

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 continuing Information Collection Request (ICR) to the Office of Management and Budget (OMB): National Pollutant Discharge Elimination System and Sewage Sludge Management State Programs, EPA ICR No. 0168.07, and OMB Control No. 2040–0057, expires August 31, 1998. 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 August 10, 1998.

ADDRESSES: Angela Lee, U.S.EPA, Permits Division, Mail Code 4203, 401 M. Street SW, Washington, DC 20460.

FOR FURTHER INFORMATION CONTACT: Angela Lee, Phone: (202) 260–6814, Fax: (202) 260–9544, E-mail: lee.angela@epamail.epa.gov. A copy of the ICR can be obtained by writing to the preceding address.

SUPPLEMENTARY INFORMATION:

Affected entities: Entities potentially affected by this action are State and Tribal governments and governments of U.S. Territories.

Title: National Pollutant Discharge Elimination System (NPDES) and Sewage Sludge Management State Programs, (OMB Control No. 2040–0057; EPA ICR No. 0168.07) expiring 8/31/98.

Abstract: Under the NPDES program, States, Federally Recognized Indian Tribes, and U.S. Territories, hereafter referred to as States, may acquire the authority to issue permits. States that administer NPDES programs are also required to obtain pretreatment authority (authority to require publicly owned treatment works (POTWs) to establish pretreatment programs and to require that indirect dischargers meet pretreatment standards) and authority to issue permits to federal facilities. These governments have the option of acquiring authority to issue general permits (permits that cover a category or categories of similar discharges). States with existing NPDES programs must submit requests for program modifications to add pretreatment, Federal facilities, or general permit authority. In addition, as federal statutes and regulations are modified, States must submit program modifications to ensure that their program continues to meet Federal requirements.

States have the option of obtaining a sludge management program. This program may be a component of a State NPDES Program, or it may be administered as a separate program. To obtain a NPDES or sludge program, a State must submit an application that includes a program description, an Attorney General's Statement, draft Memorandum of Agreement (MOA) with the EPA Region, and copies of the State's statutes and regulations.

Once a State obtains authority for an NPDES or sludge program, it becomes responsible for implementing the program in that jurisdiction. The State must retain records on the permittees and perform inspections. In addition, when a State obtains NPDES or sludge authority, EPA must oversee the program. Thus, States must submit permit information and compliance reports to the EPA.

When EPA issues a permit in an unauthorized State, that State must certify that the permit requirements comply with State water laws. According to the Clean Water Act (CWA) (section 510), States may adopt discharge requirements that are equal to or more stringent than requirements in the CWA or Federal regulations.

The purpose of this ICR is to revise and extend the current recordkeeping and reporting requirements associated with State NPDES and sludge programs. There are three categories of reporting requirements that are covered by this ICR. The first category, ''State Program Requests,'' includes the activities States must complete to request a new NPDES or sludge program, or to modify an existing program. The second category, ''State Program Implementation,'' includes the activities that approved States must complete to implement an existing program, such as certification of EPA-issued permits by non-NPDES States. The third category, ''State Program Oversight,'' includes activities required of NPDES States so that EPA may satisfy its statutory requirements for state program oversight.

The information collected by EPA is used to evaluate the adequacy of States' NPDES or sludge program and to provide EPA with the information necessary to fulfill its statutory oversight functions over State program performance and individual permit actions. EPA will use this information to evaluate States' requests for full or partial program approval and program modifications. In order to evaluate the adequacy of a State's proposed program, appropriate information must be provided to ensure that proper procedures, regulations, and statutes are in place and consistent with the CWA requirements.

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: The annual respondent burden for the activities covered in this ICR is estimated to be 1,074,410 hours at a cost of $32,511,641. EPA estimates an average of 25,688 responses each year. Table 1 shows the annual respondent burden and costs associated with specific program elements.

TABLE 1.—ANNUAL RESPONDENT BURDEN AND COSTS

Reporting requirement/citation	Number of responses	Hours per response	Total hours	Total respondent cost ($) [1]
State Program Requests:				
Request for NPDES Program Approval	0.67	2,080	1,394	42,170
Request for NPDES Partial Program Approval	1.33	2,080	2,766	83,711
Request for NPDES Program Modification	1.33	250	333	10,061
Request for Program Transfer/Withdrawal	0.00	.....	0	0
Request for NPDES Sludge Program Approval	3.00	750	2,250	68,085
Request for Non-NPDES Sludge Program Approval	6.00	750	4,500	136,170
State Program Implementation:				
Report on Compliance Evaluation	0.00	.....	0	0
Recordkeeping of NPDES Program Information	45.00	50	2,250	68,085
Recordkeeping for Non-NPDES Sludge Program Implementation	12.00	50	600	18,156
Inspection and Investigation of NPDES permittees	23,240	([2])	1,041,998	31,530,853
Inspection of Class I Sludge Management Facilities	0.00	8	0	0
Certification of EPA-Issued Permits	1,849	4	7,396	223,803
State Program Oversight:				
Submittal of NPDES Permit Information	45.00	40	1,813	54,877
Submittal of Sludge Permit Information (40 CFR Sections 123.43 and 123.44(j))	8.00	0	2	75
Submittal of Sludge Permit Information (40 CFR Section 501.16)	12.00	0	3	76
NPDES Quarterly, Semi-Annual, and Annual Reports	225.00	25	5,625	170,213
Semi-Annual Sludge Noncompliance Reports (40 CFR Section 123.45)	16.00	24	384	11,620
Semi-Annual Sludge Noncompliance Reports (40 CFR Section 501.21)	24.00	24	576	17,430
Annual Sludge Noncompliance Reports (40 CFR Section 123.45)	8.00	126	1,008	30,502
Annual Sludge Noncompliance Reports (40 CFR Section 501.21)	12.00	126	1,512	45,753
Total Burden	25,688	.....	1,074,410	32,511,641

[1] Assumes an hourly labor rate of $30.26.
[2] Varies.

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 (1) collecting, validating, and verifying information, (2) processing and maintaining information, and (3) 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: June 2, 1998.

Michael B. Cook,

Director, Office of Wastewater Management.

[FR Doc. 98–15323 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6109–6]

Environmental Laboratory Advisory Board, Meeting Date and Agenda

AGENCY: Environmental Protection Agency.

ACTION: Notice of open meeting.

SUMMARY: The Environmental Protection Agency (EPA) will convene an open meeting of the Environmental Laboratory Advisory Board (ELAB) on July 1, 1998, from 1:30 p.m. to 5:00 p.m. This meeting will be held at the Omni San Antonio Hotel, 9821 Colonnade Boulevard, San Antonio, Texas 78230.

The agenda will include discussion on the summary of meeting rules, a discussion of the proposed changes to NELAC standards, a report on the resolution of the GLP issue, a discussion of the proposed charter, membership and products of Third Party Assessors Working Group, and a report on EPA issues.

The public is encouraged to attend. Time will be allotted for public comment. Written comments are encouraged and should be directed to Ms. Elizabeth Dutrow; Designated Federal Officer; USEPA; NCERQA (MC–8724R); Washington, DC 20460. If questions arise, please contact Ms. Dutrow by telephone at 202/564–9061, facsimile at 202/565–2441, or e-mail at dutrow.elizabeth@epamail.epa.gov.

Dated: May 29, 1998.

Thomas E. Dixon,

Acting Director, Quality Assurance Division.

[FR Doc. 98–15324 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6109–5]

Hazardous Waste Land Disposal Restrictions: Notice of Public Meeting

AGENCY: Environmental Protection Agency.

ACTION: Notice.

SUMMARY: The Environmental Protection Agency's (EPA's) Office of Solid Waste will hold a public roundtable discussion on the Agency's efforts to evaluate important aspects of and potentially improve the Resource Conservation and Recovery Act (RCRA) Land Disposal Restrictions (LDR) Program. The purpose of the roundtable is to enable individuals who have substantial experience in implementing the LDR Program to offer their own evaluations and suggestions on possible improvements to the program. EPA's overall goal in the LDR reinvention project is to examine the best way to ensure the program is environmentally protective, less expensive, more efficient and flexible, clearer to the public, and more enforceable. The public is welcome to observe the discussions among participants and will be afforded some opportunities to express their views. However, this meeting is not intended to be a full public hearing.

DATES: The meeting will be held on July 1 and 2, 1998, from 8:30 a.m. to 5:00 p.m. each day.

ADDRESSES: The meeting will be held at the Holiday Inn Arlington at Ballston, 4610 N. Fairfax Drive, Arlington, VA 22203.

FOR FURTHER INFORMATION CONTACT: For registration matters, contact Ms. Lisa Enderle of SAIC at (703) 645–6950. For technical questions regarding the LDRs, contact Rhonda Minnick of EPA's Office of Solid Waste at (703) 308–8771; e-mail: minnick.rhonda@epamail.epa.gov. For general information on the LDRs, contact EPA's RCRA Hotline at (800) 824–9346 or TDD (800) 553–7672 (hearing impaired). In the Washington, D.C. metropolitan area, call (703) 412–9810 or TDD (703) 412–3323.

SUPPLEMENTARY INFORMATION:

Accommodations

Guest rooms may be reserved by calling the Holiday Inn Arlington at Ballston directly at (703) 243–9800 by June 8, 1998. Please reference the ''LDR Roundtable'' to receive the special government room rate.

Registration

Only registered participants will be eligible to take part in the roundtable discussions (subject to the final agenda and meeting structure). Depending on the number of persons seeking to be full discussion participants, EPA may need to tailor the meeting structure and limit the number of full participants to 75 individuals to insure that useful results are obtained in the time available. Details will be developed and communicated on meeting structure as early as possible. To register as an observer or to register as a full participant (requested), please download a registration form via the Internet from the EPA web site at http://www.epa.gov/epaoswer/hazwaste/ldr/register.htm. To receive a registration form via fax and/or for additional meeting and logistical information please contact Ms. Lisa Enderle of SAIC at (703) 645–6950. The registration deadline is June 19, 1998.

Background

In the 1984 Hazardous and Solid Waste Amendments to RCRA, Congress prohibited the land disposal of hazardous wastes unless the wastes meet treatment standards established by EPA. The statute requires that these treatment standards substantially diminish the toxicity or mobility of hazardous wastes so that short- and long-term threats to human health and the environment are minimized. RCRA section 3004(m). In response, EPA has developed a series of rulemakings under the LDR Program setting forth standards for treatment of hazardous wastes destined for land disposal.

Once a hazardous waste is prohibited, the statute provides only two options for legal land disposal: meet the treatment standard for the waste prior to land disposal or dispose of the waste in a land disposal unit that has been found to satisfy the statutory ''no migration'' test. A no migration unit is one from which there will be no migration of hazardous constituents for as long as the waste remains hazardous. RCRA sections 3004(d), (e), (f) and (g)(5).

To date, the Agency has implemented section 3004(m) of RCRA by establishing treatment standards for chemical constituents in hazardous wastes based upon the performance of the best demonstrated available technology (BDAT) to treat the waste. EPA may establish treatment standards as specified technologies, as constituent concentration levels in treatment residuals, or both. When treatment standards are set as levels, the regulated community may use any technology not otherwise prohibited (such as impermissible dilution) to treat the waste.

On January 13 and 14, 1993, EPA held a roundtable discussion on the LDR Program with stakeholders from hazardous waste generators, treaters, recyclers and disposers; public interest groups; State environmental agencies; EPA regional offices; and other federal agencies. The purpose of the 1993 roundtable was for EPA to hear suggestions on improvements to the LDR Program from people who implement it. As a result of those suggestions, EPA made several significant changes to the LDRs, including consolidation of the three treatment standard tables into one table, simplification of notification requirements, and promulgation of universal treatment standards. *See* 59 FR 47982, 48004 (Sept. 19, 1994) (final LDR Phase II rule); 62 FR 25998, 26004 (May 12, 1997) (final Phase IV ''mini-rule'').

EPA believes that, in general, the LDR Program is working and is an impetus for source reduction and proper waste treatment. Nonetheless, EPA's efforts to improve the LDR Program are on-going. Specifically, as part of its LDR Reinvention Project, EPA has undertaken a multi-faceted evaluation of the LDR Program to determine what is and is not working well in the program. These Reinvention activities include interviews of hazardous waste management experts, visits to different hazardous waste treatment facilities, and analysis of RCRA Hotline and LDR staff inquiries. EPA believes it would be valuable to build upon the information obtained from these activities by holding a second roundtable. The Agency anticipates that the roundtable will enable EPA to gather additional stakeholder suggestions and to target areas of the LDR Program for specific improvements.

As currently planned, the roundtable will begin with a plenary session to obtain general comments from the attendees on the benefits and burdens of the LDRs. The meeting will then proceed with a number of breakout sessions involving discussion among designated participants in smaller groups, each of which will focus on a subset of LDR issues.

The public is welcome to observe the discussions among participants on July 1 and 2 and to request to be included as full discussion participants. EPA will accommodate as many participant requests as possible consistent with the final meeting agenda and structure. However, this meeting is not intended to be a public hearing and only pre-registered individuals will be allowed to participate actively, depending on the final meeting agenda and structure. To ensure that useful results are obtained in the time available, the Agency may limit the number of full participants to 75 individuals. During the two days of the roundtable, there will be a limited ''open microphone'' session to obtain comments from non-participant attendees.

EPA has placed information concerning this roundtable, including the registration forms and a preliminary agenda, in electronic format on the Internet. These materials can be accessed via the Internet at the EPA web site identified above. For those who cannot access the Internet, hard copies may be obtained by contacting Ms. Lisa Enderle of SAIC at (703) 645–6950.

Dated: June 4, 1998.

James R. Berlow,

Director, Hazardous Waste Minimization and Management Division.

[FR Doc. 98–15320 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[OPP–181064; FRL 5794–5]

Carbofuran; Receipt of Application for Emergency Exemption, Solicitation of Public Comment

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA has received a specific exemption request from the California Environmental Protection Agency, Department of Pesticide Regulation, (hereafter referred to as the ''Applicant'') to use the pesticide flowable Carbofuran (Furadan 4F Insecticide/Nematicide) (EPA Reg. No. 279–2876) to treat up to 300,000 acres of cotton in California, to control cotton aphids. The Applicant proposes the use of a chemical which has been the subject of a Special Review within EPA's Office of Pesticide Programs. The granular formulation of carbofuran was the subject of a Special Review between the years of 1986–1991, which resulted in a negotiated settlement whereby most of the registered uses of granular carbofuran were phased out. While the flowable formulation of carbofuran is not the subject of a Special Review, EPA believes that the proposed use of flowable carbofuran on cotton could pose a risk similar to the risk assessed by EPA under the Special Review of granular carbofuran. Additionally, in 1997 EPA denied requests made under provisions of section 18 for this use of flowable carbofuran. Therefore, in accordance with 40 CFR 166.24, EPA is soliciting public comment before making the decision whether or not to grant the exemption.

DATES: Comments must be received on or before June 24, 1998.

ADDRESSES: Three copies of written comments, bearing the identification notation ''OPP–181064,'' should be submitted by mail to: Public Information and Records Integrity branch, Information Resources and Services Division (7502C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, bring comments to: Rm. 119, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA.

Comments and data may also be submitted electronically by sending electronic mail (e-mail) to: opp-docket@epamail.epa.gov. Follow the instruction under ''SUPPLEMENTARY INFORMATION.'' No Confidential Business Information (CBI) should be submitted through e-mail.

Information submitted in any comment concerning this notice may be claimed confidential by marking any part or all of that information as CBI. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential may be included in the public record by EPA without prior notice.

FOR FURTHER INFORMATION CONTACT: By mail: David Deegan, Registration Division (7505C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location, telephone number and e-mail: Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA, (703–308–9358); e-mail: deegan.dave@epamail.epa.gov.

SUPPLEMENTARY INFORMATION: Pursuant to section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136p), the Administrator may, at her discretion, exempt a state agency from any registration provision of FIFRA if she determines that emergency conditions exist which require such exemption. The Applicants have requested the Administrator to issue a specific exemption for the use of carbofuran on cotton to control aphids. Information in accordance with 40 CFR part 166 was submitted as part of this request.

As part of this request, the Applicant asserts that the state of California is likely to experience non-routine infestations of aphids during the 1998 cotton growing season. The applicant further claims that, without a specific exemption of FIFRA for the use of flowable carbofuran on cotton to control cotton aphids, cotton growers in the state will suffer significant economic losses. The applicant details a use program designed to minimize risks to pesticide handlers and applicators, non-target organisms (both Federally-listed endangered species, and non-listed species), and to reduce the possibility of drift and runoff.

The applicant proposes to make no more than two applications of flowable carbofuran on cotton at the rate of 0.25 lb. active ingredient (a.i.) [(8 fluid oz.)] in a minimum of 2 gallons of finished spray per acre by air, or 10 gallons of finished spray per acre by ground application. The total maximum proposed use during the 1998 growing season July 20, 1998 until October 15, 1998 would be 0.5 lb., a.i. (16 fluid oz.) per acre. The applicant proposes that the maximum acreage which could be treated under the requested exemption would be 300,000 acres. If all acres were treated at the maximum proposed rates, then 150,000 lbs., a.i. would be used in California.

This notice does not constitute a decision by EPA on the application itself. The regulations governing section 18 require publication of a notice of receipt of an application for a specific exemption proposing use of a chemical (i.e., an active ingredient) which has been the subject of a Special Review within EPA's Office of Pesticide Programs, and the proposed use could pose a risk similar to the risk assessed by EPA under the previous Special Review. Such notice provides for opportunity for public comment on the application.

The official record for this notice, as well as the public version, has been established for this notice under docket number [OPP–181064] (including comments and data submitted electronically as described below). A public version of this record, including printed, paper versions of electronic comments, which does not include any information claimed as CBI is available

for inspection from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The official record is the paper record maintained at the address in ''ADDRESSES'' at the beginning of this document.

Electronic comments can be sent directly to EPA at:

opp-docket@epamail.epa.gov

Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Comments and data will also be accepted on disks in WordPerfect 5.1/6.1 or ASCII file format. All comments and data in electronic form must be identified by the docket number [OPP–181064]. Electronic comments on this notice may be filed online at many Federal Depository Libraries.

The Agency, accordingly, will review and consider all comments received during the comment period in determining whether to issue the emergency exemption requested by the California Environmental Protection Agency, Department of Pesticide Regulation.

List of Subjects

Environmental protection, Pesticides and pests, Emergency exemptions.

Dated: May 27, 1998.

James Jones,

Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 98–15326 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–F

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6109–3]

Proposed Agreement Pursuant to Section 122(h)(1) of CERCLA for the Allied Paper/Portage Creek/Kalamazoo River Superfund Site

AGENCY: Environmenatl Protection Agency (''EPA'').

ACTION: Notice; Request for public comment on proposed CERCLA 122(h)(1) agreement for the Bryant Mill Pond Area of the Allied Paper/Portage Creek/Kalamazoo River Superfund Site.

SUMMARY: In accordance with the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 *et seq.* as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. 99–499 (''CERCLA''), and section 7003(d) of the Resources Conservation and Recovery Act (''RCRA''), 42 U.S.C. 6973(d), notification is hereby given that a proposed agreement pursuant to section 122(h)(1) of CERCLA concerning the Bryant Mill Pond Area of the Allied Paper/Portage Creek/Kalamazoo River Superfund Site (''the Site''), located in Kalamazoo and Allegan Counties, Michigan, has been executed by Millennium Holdings, Inc. (''MHI'') and the Director, Superfund Division, of Region 5, EPA. The proposed Agreement has been approved by the Assistant Attorney General for the Environment and Natural Resources Division of the U.S. Department of Justice.

Pursuant to the terms of the proposed agreement, MHI will pay $7.5 million to the Hazardous Substances Superfund, and such sums will be used by the Agency to conduct a time-critical removal action at the Bryant Mill Pond Area. EPA intends to excavate and/or dredge approximately 85,000 cubic yards of wastes contaminated with polychlorinated biphenyls (''PCBs'') from the Bryant Mill Pond Area, and thereby mitigate the imminent and substantial endangerment to human health or the environment present or threatened by such wastes. The proposed agreement resolves the claims of EPA against MHI under sections 106 and 107(a) of CERCLA and section 7003 of RCRA relating to the Bryant Mill Pond Area and the removal action.

For thirty days following the date of publication of this notice, the Agency will receive written comments relating to the settlement or requests for a public meeting in the affected area. The Agency will consider all comments received and may modify or withdraw its consent to the settlement if comments received disclose facts or considerations which indicate that the settlement is inappropriate, improper or inadequate.

DATES: Comments on the proposed agreement or requests for a public meeting in the affected area must be received by EPA on or before July 9, 1998. Please contact Eileen Furey at (312) 353–6124 or Brad Stimple at (312) 886–0406 with regard to any comments or requests.

ADDRESSES: A copy of the proposed agreement is available for review at EPA, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604. Please contact Eileen L. Furey at (312) 353–6124, prior to visiting the Region 5 office.

Written comments on the proposed Agreement should be addressed to Eileen L. Furey, Associate Regional Counsel, EPA, Region 5, 77 West Jackson Boulevard (Mail Code C–14J), Chicago, Illinois 60604.

FOR FURTHER INFORMATION CONTACT: Eileen L. Furey, Associate Regional Counsel, or Brad Stimple, On-Scene Coordinator, at the address and phone numbers specified above.

William E. Muno,

Director, Superfund Division, Region 5.

[FR Doc. 98–15322 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–M

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6109–2]

Extension of the Public Comment Period on the Draft General NPDES Permit for Aquaculture Facilities and on-site Fish Processing Facilities in Idaho (General NPDES Permit ID–G13–0000)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of the 30-day extension of the public comment period for a general permit.

SUMMARY: The Director, Office of Water, EPA Region 10, is extending the period for public comment on the proposed general National Pollutant Discharge Elimination System (NPDES) permit number ID–G13–0000 for aquaculture facilities and associated, on-site fish processing facilities operating in Idaho, pursuant to the provisions of the Clean Water Act, 33 U.S.C. 1251 *et seq.* This extension of thirty (30) days will be until July 10, 1998. The date this document originally appeared in the **Federal Register** was April 10, 1998.

DATES: Comments must be submitted on or before July 10, 1998.

ADDRESSES: Public comments should be sent to: Environmental Protection Agency Region 10, Idaho Office, 1435 North Orchard Street, Boise, Idaho 83706, Attn: Carla Fromm.

A copy of the permit and fact sheet can be obtained at this office, or

Idaho Division of Environmental Quality, 1410 N Hilton, Boise, Idaho 83706;

IDHW–DEQ Twin Falls Regional Office, 601 Pole Line Road, Suite 2, Twin Falls, Idaho 83301;

IDHW–DEQ Boise Regional Office, 1445 N. Orchard, Boise, Idaho 83706–2239;

IDHW–DEQ Pocatello Regional Office, 224 S. Arthur, Pocatello, Idaho 83204;

IDHW–DEQ Lewiston Regional Office, 1118 F St., Lewiston, Idaho 83501;

IDHW–DEQ Coeur d'Alene Regional Office, 2110 Ironwood Pkwy, Coeur d'Alene, Idaho 83814; and

IDHW–DEQ Idaho Falls Regional Office, 900 N. Skyline, Idaho Falls, Idaho 83402.

Copies of the draft general NPDES permit and supporting fact sheet will continue to be available from the EPA Region 10 Public Environmental Resource Center at 1–800–424–4EPA (4372). Both can be downloaded from the Internet website of EPA Region 10's Office of Water—''Public Notices'' at www.epa.gov/r10earth/offices/water/ow.htm.

FOR FURTHER INFORMATION CONTACT: The complete administrative record for the draft general NPDES permit is available for public review. Contact Carla Fromm, EPA Region 10, Idaho Office, 1435 North Orchard Street, Boise, Idaho 83706; (208) 378–5755; fromm.carla@epamail.EPA.gov.

SUPPLEMENTARY INFORMATION: Interested persons may submit written comments on the draft general NPDES permit within the extended public comment period to the attention of Carla Fromm at the address and telephone number above. All comments should include the name, address, and telephone number of the commenter and a concise statement of comment on the permit condition(s) and the relevant facts upon which the comment is based. Comments of either support or concern which are directed at specific, cited permit requirements are appreciated. Comments must be submitted to EPA on or before the expiration date of the public notice.

After the expiration date on the public notice, the Director, Office of Water, EPA Region 10, will make a final determination with respect to issuance of the general permit. The tentative requirements contained in the draft general permit will become final conditions if no substantive comments are received during the public comment period. The permit is expected to become effective by the end of September 1998.

Persons wishing to comment on the State Certification that the general NPDES permit protects Idaho Water Quality Standards should submit written comments within the extended public comment period to the State of Idaho, IDHW-Division of Environmental Quality, 601 Pole Line Road, Suite 2, Twin Falls, Idaho 83301–3035, Attn: Mike McMasters, (telephone: 208–736–2190).

Dated: June 2, 1998.

Philip G. Millam,

Director, Office of Water.

[FR Doc. 98–15321 Filed 6–8–98; 8:45 am]

BILLING CODE 6560–50–P

FARM CREDIT ADMINISTRATION

Farm Credit Administration Board; Regular Meeting

AGENCY: Farm Credit Administration.

SUMMARY: Notice is hereby given, pursuant to the Government in the Sunshine Act (5 U.S.C. 552b(e)(3)), of the forthcoming regular meeting of the Farm Credit Administration Board (Board).

DATES AND TIME: The regular meeting of the Board will be held at the offices of the Farm Credit Administration in McLean, Virginia, on June 11, 1998, from 1:00 p.m. until such time as the Board concludes its business.

FOR FURTHER INFORMATION CONTACT: Floyd Fithian, Secretary to the Farm Credit Administration Board, (703) 883–4025, TDD (703) 883–4444.

ADDRESSES: Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102–5090.

SUPPLEMENTARY INFORMATION: Parts of this meeting of the Board will be open to the public (limited space available), and parts of this meeting will be closed to the public. In order to increase the accessibility to Board meetings, persons requiring assistance should make arrangements in advance. The matters to be considered at the meeting are:

Open Session

A. *Approval of Minutes*

B. *Report*

—Farm Credit System Building Association Quarterly Report

C. *New Business*

Regulation

—Other Financing Institutions [12 CFR Part 614] (Final Rule)

***Closed Session**

D. *Reports*

1. OSMO Report
2. OGC Litigation Report

*Session Closed—Exempt pursuant to 5 U.S.C. 552b(c)(8), (9) and (10).

Dated: June 4, 1998.

Floyd Fithian,

Secretary, Farm Credit Administration Board.

[FR Doc. 98–15413 Filed 6–5–98; 11:30 am]

BILLING CODE 6705–01–M

FEDERAL COMMUNICATIONS COMMISSION

Open Commission Meeting Scheduled for June 9, 1998, Cancelled; Sunshine Act Meeting

June 4, 1998.

The Federal Communications Commission has cancelled the Open Meeting on the subjects listed below, previously scheduled for Tuesday, June 9, at 1919 M Street, N.W., Washington, D.C.

Item No.	Bureau	Subject
1	COMMON CARRIER	TITLE: Federal-State Joint Board on Universal Service (CC Docket No. 96–45); and Access Charge Reform (CC Docket No. 96–262). SUMMARY: The Commission will consider action concerning proposal to ensure the accuracy and completeness of billing disclosures made by telecommunications carriers.
2	COMMON CARRIER	TITLE: Federal-State Joint Board on Universal Service (CC Docket No. 96–45). SUMMARY: The Commission will consider action concerning the collection levels for the schools and libraries and rural health care universal service support mechanism for the third and fourth quarters of 1998.
3	COMMON CARRIER	TITLE: Federal-State Joint Board on Universal Service (CC Docket No. 96–45); Access Charge Reform (CC Docket No. 96–262); and Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Waiver of Sections 61.44–45 of the Commission's Rules (CCB/CPD 98–19). SUMMARY: The Commission will consider action concerning issues related to local exchange carrier recovery of universal service contribution obligations.

Additional information concerning this meeting may be obtained from Maureen Peratino or David Fiske, Office of Public Affairs, telephone number (202) 418–0500; TTY (202) 418–2555.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–15394 Filed 6–5–98; 10:24 am]

BILLING CODE 6712–01–M

FEDERAL COMMUNICATIONS COMMISSION

June 4, 1998.

FCC To Hold Open Commission Meeting Thursday, June 11, 1998; Sunshine Act Meeting

The Federal Communications Commission will hold an Open Meeting on the subjects listed below on Thursday, June 11, 1998, which is scheduled to commence at 9:30 a.m. in Room 856, at 1919 M Street, N.W., Washington, D.C.

Item No.	Bureau	Subject
1	Mass Media	Title: 1998 Biennial Regulatory Review—Streamlining of Technical Rules in Parts 73 and 74 of the Commission's Rules. Summary: The Commission will consider proposals to modify the FM technical requirements codified in Parts 73 and 74 of the Commission's Rules.
2	Common Carrier	Title: 1998 Biennial Regulatory Review—Testing New Technology. Summary: The Commission will consider action concerning regulatory barriers to technology testing by regulated common carriers and alternative means to encourage and facilitate experiments and market trials of new telecommunications technology.
3	Engineering and Technology.	Title: Amendment of Parts 2 and 90 of the Commission's Rules to Allocate Spectrum Within the 5.850–5.925 GHz Band to the Mobile Service for Dedicated Short Range Communications of Intelligent Transportation Services (RM–9096). Summary: The Commission will consider action concerning a proposed allocation to allow intelligent transportation service operations in the 5.9 GHz range.

Additional information concerning this meeting may be obtained from Maureen Peratino or David Fiske, Office of Public Affairs, telephone number (202) 418–0500; TTY (202) 418–2555.

Copies of materials adopted at this meeting can be purchased from the FCC's duplicating contractor, International Transcription Services, Inc. (ITS, Inc.) at (202) 857–3800; fax (202) 857–3805 and 857–3184; or TTY (202) 293–8810. These copies are available in paper format and alternative media, including large print/type; digital disk; and audio tape. ITS may by reached be e-mail: its__inc@ix.netcom.com. Their Internet address is http://www.itsi.com.

This meeting can be viewed over George Mason University's Capitol Connection. For information on this service call (703) 993–3100. The audio portion of the meeting will be broadcast live on the Internet via the FCC's Internet audio broadcast page at <http://www.fcc.gov/realaudio/>. The meeting can also be heard via telephone, for a fee, from National Narrowcast Network, telephone (202) 966–2211 or fax (202) 966–1770; and from Conference Call USA (available only outside the Washington, D.C. metropolitan area), telephone 1–800–962–0044. Audio and video tapes of this meeting can be purchased from Infocus, 341 Victory Drive, Herndon, VA 20170, telephone (703) 834–0100; fax number (703) 834–0111.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–15494 Filed 6–5–98; 2:51 pm]

BILLING CODE 6712–01–M

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice of information collection to be submitted to OMB for review and approval under the Paperwork Reduction Act of 1995.

SUMMARY: In accordance with requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the FDIC hereby gives notice that it plans to submit the Office of Management and Budget (OMB) a request for OMB review and approval of the information collection system described below.

Type of Review: Renewal of a currently approved collection.

Title: Transfer Agent Registration and Amendment Form.

Form Number: TA–1.

OMB Number: 3064–0026.

Annual Burden:

Estimated annual number of respondents:—28.

Estimated time per response—1.25 hours (initial registration); .17 hours (amendment).

Average annual burden hours—14 hours.

Expiration Date of OMB Clearance: August 31, 1998.

OMB Reviewer: Alexander T. Hunt, (202) 395–7860, Office of Management and Budget, Office of Information and Regulatory Affairs, Washington, D.C. 20503.

FDIC Contact: Tamara R. Manly, (202) 898–7453, Office of the Executive Security, Room F–4058, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429

Comments: Comments on this collection of information are welcome and should be submitted on or before July 9, 1998 to both the OMB reviewer and the FDIC contact listed above.

ADDRESSES: Information about this submission, including copies of the proposed collection of information, may be obtained by calling or writing the FDIC contact listed above.

SUPPLEMENTARY INFORMATION: Section 17A(c)(1) of the Securities Exchange Act of 1934 (15 USC 78q) requires a bank to register with the appropriate Federal bank regulator prior to performing any transfer agent function. Under FDIC regulation 12 CFR 341, an insured nonmember bank uses form TA–1 to register with the FDIC.

Dated: June 4, 1998.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 98–15335 Filed 6–8–98; 8:45 am]

BILLING CODE 6714–01–M

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

Uniform Rating System for Information Technology

AGENCY: Federal Financial Institutions Examination Council.

ACTION: Notice and request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS) (collectively referred to as the federal supervisory agencies), under the auspices of the Federal Financial Institutions Examination Council (FFIEC) request comment on proposed changes to the Uniform Interagency Rating System for Data Processing Operations, commonly referred to as the Information Systems rating system. The proposed revisions change the name of the rating system to the Uniform Rating System for Information Technology (URSIT) and reflect changes that have occurred in the data processing services industry and in supervisory policies and procedures since the rating system was first adopted in 1978. The proposed changes revise the numerical ratings to conform to the language and tone of the Uniform Financial Institution Rating System (UFIRS) rating definitions, commonly referred to as the CAMELS rating system; reformat and clarify the component rating descriptions; emphasize the quality of risk management processes in each of the rating components; add two new component categories, Development and Acquisition, and Support and Delivery as replacements for Systems Development and Programming, and Operations; and explicitly identify the risk types that are considered in assigning component ratings. After reviewing public comments, the FFIEC intends to make appropriate additional changes to the revised URSIT, if necessary, and adopt a final information technology rating system.

The *term financial institution* refers to those FDIC insured depository institutions whose primary Federal supervisory agency is represented on the FFIEC, Bank Holding Companies, Branches and Agencies of Foreign Banking Organizations, and Thrifts. The term ''service provider'' refers to organizations that provide data processing services to financial institutions. Uninsured trust companies that are chartered by the OCC, members of the Federal Reserve System, or subsidiaries of registered bank holding companies or insured depository institutions are also covered by this action.

DATES: Comments must be received by August 10, 1998.

ADDRESSES: Comments should be sent to Keith Todd, Acting Executive Secretary, Federal Financial Institutions Examination Council, 2100 Pennsylvania Avenue, NW, Suite 200, Washington, DC 20037 (Fax number: (202) 634–6556). Comments will be available for public inspection during regular business hours at the above address. Appointments to inspect comments are encouraged and can be arranged by calling the FFIEC at (202) 634–6526.

FOR FURTHER INFORMATION CONTACT:

FRB: Charles Blaine Jones, Supervisory EDP Analyst, Specialized Activities, (202) 452–3759, Division of Banking Supervision and Regulation, Board of Governors of the Federal Reserve System, Mail Stop 182, 20th and C Streets, NW, Washington, DC 20551

FDIC: Stephen A. White, Review Examiner (Information Systems), (202) 898–6923, Division of Supervision, Federal Deposit Insurance Corporation, Room F–6010, 550 17th Street, NW, Washington, DC 20429

OCC: Norine Richards, National Bank Examiner, (202) 874–4924, Bank Technology Unit, Office of the Comptroller of the Currency, Mail Stop 7–9, 250 E Street, SW, Washington, D.C. 20219

OTS: Jennifer Dickerson, Program Manager, Information System Examinations, Compliance Policy, (202) 906–5631, Office of Thrift Supervision, 1700 G Street, NW, Washington, D.C. 20552

SUPPLEMENTARY INFORMATION:

Background Information

The Uniform Interagency Rating System for Data Processing Operations is an internal rating system used by federal and state regulators to assess uniformly financial institution and service provider risks introduced by information technology and for identifying those institutions and service providers requiring special supervisory attention. The current rating system was adopted in 1978 by the OCC, OTS, FDIC and FRB, and is commonly referred to as the IS rating system. Each financial institution or service provider is assigned a composite rating based on an evaluation and rating of four essential components of an institution's information technology. These components address the following: the adequacy of the information technology audit function; the capability of information technology management; the adequacy of systems development and programming, and the quality, reliability, availability and integrity of information technology operations. Both the composite and component ratings are assigned on a ''1'' to ''5'' numerical scale. A ''1'' indicates the strongest performance and management practices, and the least degree of supervisory concern, while a ''5'' indicates the weakest performance and management practices and, therefore, the highest degree of supervisory concern.

The composite rating reflects the overall condition of an institution's or service provider's information technology function. The composite ratings are used by the federal and state supervisory agencies to monitor aggregate trends in the overall administration of information technology.

The IS rating system has proven to be an effective means for the federal and state supervisory agencies to determine the condition of an institution's or service provider's information technology function. A number of changes, however, have occurred in information technology and in supervisory policies and procedures since the rating system was first adopted. The FFIEC's Task Force on Supervision has reviewed the existing rating system in light of these industry trends. The Task Force has concluded that the current rating system framework should be modified to provide a more effective vehicle for summarizing conclusions about the condition of an institution's or service provider's information technology function. As a result, the FFIEC proposes to retain the basic rating framework, and the revised rating system will continue to assign a composite rating based on an evaluation and rating of essential components of an institution's or service provider's information technology function. However, the FFIEC proposes certain enhancements to the rating system.

Discussion of Proposed Changes to the Rating System

1. Structure and Format

The FFIEC proposes to enhance and clarify the component rating descriptions by reformatting each component into three distinct sections. These sections are: (a) An introductory paragraph discussing in general terms the areas to be considered when rating each component; (b) a bullet-style listing of the specific evaluation factors

to be considered when assigning the component rating; and, (c) a brief qualitative description of the five rating grades that can be assigned to a particular component.

2. Alignment of Composite and Component Ratings

The FFIEC proposes changes to revise the definitions of the composite and component ratings to align the URSIT rating definitions more closely with the language and tone of the UFIRS rating definitions. For example, under the current rating system a composite ''3'' rated information technology function has performance that is flawed to some degree and is considered to be of below average quality, while under the UFIRS a composite ''3'' rated bank or service provider exhibits some degree of supervisory concern due to a combination of weaknesses that may range from moderate to severe. The proposed revision brings the URSIT in line with the language and tone of the UFIRS.

3. Component Reorganization

The current rating system has four components: (1) Audit; (2) Management; (3) Systems Development and Programming; and (4) Operations. The FFIEC is proposing to replace the current ''Systems Development and Programming'' and ''Operations'' components with two new component categories, ''Development and Acquisition'', and ''Support and Delivery''. The new components will address all areas assessed in the current Systems Development and Programming and Operations components. In addition, the new components will provide a more effective framework for the risks encountered in distributed processing environments and emerging technology.

4. Composite Rating Definitions

The FFIEC is proposing changes in the composite rating definitions to parallel the changes in the component rating descriptions. Under the FFIEC's proposal, the revised composite rating definitions would contain an explicit reference to the quality of overall risk management practices. The basic context of the existing composite rating definitions is being retained. The composite rating would continue to be based on a careful evaluation of an institution's or service provider's ability to monitor, manage, develop, acquire, support and deliver information technology services.

5. Risk Management

The FFIEC is proposing that the revised rating system emphasize risk management processes. Changes in information technology have broadened the range of products and services offered. These trends reinforce the importance of institutions having sound risk management processes. Accordingly, the revised rating system would contain language in each of the components emphasizing the consideration of processes to identify, measure, monitor, and control risks.

Request for Comments

The FFIEC requests comment on the proposed revisions to the URSIT (''the proposal''). In particular, the FFIEC invites comments on the following questions:

1. Does the proposal capture the essential risk areas of information technology?
2. Does the proposal adequately address distributed processing environments, as well as centralized processing environments?
3. Does the proposal adequately address risks to financial institutions that process their data in-house as well as to data processing service providers?
4. Are the definitions for the individual components and the composite numerical ratings in the proposal consistent with the language and tone of the UFIRS definitions?
5. Are there any components which should be added to or deleted from the proposal?
6. Given the trend toward the integration of safety and soundness and information technology examination functions by the federal supervisory agencies, does a separate rating system for information technology continue to be useful?

Text of the Revised Uniform Rating System for Information Technology

Uniform Rating System for Information Technology

Introduction

The quality, reliability, and integrity of a financial institution's or service provider's information technology (IT) affect all aspects of its performance. An assessment of the technology risk management framework is necessary whether or not the institution itself or a third-party service provider manages these operations. The Uniform Rating System for Information Technology (URSIT) is an internal rating system used by federal and state regulators to uniformly assess financial institution and service provider risks introduced by IT. It also allows the regulators to identify those insured institutions and service providers whose information technology risk exposure requires special supervisory attention. The rating system includes component and composite rating descriptions and the explicit identification of risks and assessment factors that might be considered in assigning component ratings. Additionally, information technology can affect the risks associated with financial institutions. For each IT rating component the effect on credit, operational, market, reputation, strategic, and compliance risks should be considered.

The purpose of the rating system is to identify those entities whose risk exposure requires special supervisory attention. This rating system assists examiners in making an assessment of risk and compiling examination findings. However, the rating system does not drive the scope of an examination. Examiners should use the rating system to help evaluate the entity's overall risk exposure, and determine the degree of supervisory attention believed necessary to ensure that weaknesses are addressed and that risk is properly managed.

Overview

The URSIT is based on a risk evaluation of four critical components: Audit, Management, Development and Acquisition, and Support and Delivery (AMDS). These components, when combined, are used to assess the overall performance of IT within an organization. Examiners evaluate the functions identified within each component to assess the institution's ability to identify, measure, monitor and control information technology risks. Each organization examined for IT is assigned a summary or composite rating based on the overall results of the evaluation. The IT composite rating and each component rating are based on a scale of ''1'' through ''5'' in ascending order of supervisory concern; ''1'' representing the highest rating and least degree of concern, and ''5'' representing the lowest rating and highest degree of concern.

The first step in developing an IT composite rating for an organization is the assignment of a performance rating to the individual AMDS components. The evaluation of each of these components, their interrelationships, and relative importance is the basis for the composite rating. The composite rating is derived by making a qualitative summarization of all of the AMDS components. A direct relationship exists between the composite rating and the individual AMDS component

performance ratings. However, the composite rating is not an arithmetic average of the individual components. An arithmetic approach does not reflect the actual condition of IT when using a risk-focused approach. A poor rating in one component may heavily influence the overall composite rating for an institution. For example, if the audit function is viewed as inadequate, the overall integrity of the IT systems is not readily verifiable. Thus, a composite rating of less than satisfactory (''3''–''5'') would normally be appropriate.

A principal purpose of the composite rating is to identify those financial institutions and service providers that pose an inordinate amount of information technology risk and merit special supervisory attention. Thus, individual risk exposures that more explicitly affect the viability of the organization and/or its customers should be given more weight in the composite rating.

The following two sections contain the URSIT composite rating definitions, the assessment factors, and definitions for the four component ratings. These assessment factors and definitions outline various IT functions and controls that may be evaluated as part of the examination.

Composite Ratings [1]

Composite 1

Financial institutions and service providers rated composite ''1'' exhibit strong performance in every respect. Weaknesses in IT are minor in nature and are easily corrected during the normal course of business. Risk management processes provide a comprehensive program to identify and monitor risk relative to the size, complexity and risk profile of the entity. Strategic plans are well defined and fully integrated throughout the organization. This allows management to quickly adapt to changing market, business and technology needs of the entity. Management identifies weaknesses promptly and takes appropriate corrective action to resolve internal audit and regulatory concerns. The financial condition of the service provider is strong and overall performance shows no cause for supervisory concern.

Composite 2

Financial institutions and service providers with composite rating of ''2'' exhibit safe and sound performance but may demonstrate modest weaknesses in operating performance, monitoring, management processes or system development. Generally, senior management corrects weaknesses in the normal course of business. Risk management processes adequately identify and monitor risk relative to the size, complexity and risk profile of the entity. Strategic plans are defined but may require clarification, better coordination or improved communication throughout the organization. As a result, management anticipates, but responds less quickly, to changes in market, business, and technological needs of the entity. Management normally identifies weaknesses and takes appropriate corrective action. However, greater reliance is placed on audit and regulatory intervention to identify and resolve concerns. The financial condition of the service provider is acceptable and while internal control weaknesses may exist, there are no significant supervisory concerns. As a result, supervisory action is limited.

Composite 3

Financial institutions and service providers rated composite ''3'' exhibit some degree of supervisory concern due to a combination of weaknesses that may range from moderate to severe. If weaknesses persist further deterioration in the condition and performance of the institution or service provider is likely. Risk management processes may not effectively identify risks, and may not be appropriate for the size, complexity, or risk profile of the entity. Strategic plans are vaguely defined and may not provide adequate direction for IT initiatives. As a result, management often has difficulty responding to changes in business, market, and technological needs of the entity. Self-assessment practices are weak and are generally reactive to audit and regulatory exceptions. Repeat concerns may exist indicating that management may lack the ability or willingness to resolve concerns. The financial condition of the service provider may be weak and/or negative trends may be evident. While financial or operational failure is unlikely, increased supervision is necessary. Formal or informal supervisory action may be necessary to secure corrective action.

Composite 4

Financial institutions and service providers rated ''4'' operate in an unsafe and unsound environment that may impair the future viability of the entity.

Operating weaknesses are indicative of serious managerial deficiencies. Risk management processes inadequately identify and monitor risk, and practices are not appropriate given the size, complexity, and risk profile of the entity. Strategic plans are poorly defined and not coordinated or communicated throughout the organization. As a result, management and the board are not committed to, or may be incapable of insuring that technological needs are met. Management does not perform self-assessments and demonstrates an inability or willingness to correct audit and regulatory concerns. The financial condition of the service provider is severely impaired and/or deteriorating. Failure of the financial institution or service provider may be likely unless IT problems are remedied. Close supervisory attention is necessary and, in most cases, formal enforcement action is warranted.

Composite 5

Financial institutions and service providers with a composite rating ''5'' exhibit critically deficient operating performance and are in need of immediate remedial action. Operational problems and serious weaknesses may be apparent throughout the organization. Risk management processes are severely deficient and provide management little or no perception of risk relative to the size, complexity, and risk profile of the entity. Strategic plans do not exist or are ineffective, and management and the board provide little or no direction for IT initiatives. As a result, management is unaware of, or inattentive to technological needs of the entity. Management is incapable of identifying and correcting audit and regulatory concerns. The financial condition of the service provider is poor and failure is highly probable due to poor operating performance or financial instability. Formal enforcement action and ongoing supervision is required.

Component Ratings [2]

Audit

Financial institutions and service providers are expected to provide independent assessments of their exposure to risks and the quality of

[1] The descriptive examples in the numeric composite rating definitions are intended to provide guidance to examiners as they evaluate the overall condition of Information Technology. Examiners must use professional judgement when making this assessment and assigning the numeric rating.

[2] The descriptive examples in the numeric component rating definitions are intended to provide guidance to examiners as they evaluate the individual components. Examiners must use professional judgement when assessing a component area and assigning a numeric rating value as it is likely that examiners will encounter conditions that correspond to descriptive examples in two or more numeric rating value definitions.

internal controls associated with the implementation and use of information technology.[3] Audit practices should address the IT risk exposures throughout the institution and its service provider(s) in the areas of user and data center operations, client/server architecture, local and wide area networks, telecommunications, information security, electronic data interchange, systems development, and contingency planning. This rating should reflect the adequacy of the organizations overall IT audit program, including the internal and external auditor's abilities to detect and report significant risks to management and the board of directors on a timely basis. It should also reflect the internal and external auditor's capability to promote a safe, sound, and effective operation.

The performance of audit is rated based upon an assessment of:

- The level of independence maintained by audit and the quality of the oversight and support provided by the board of directors and management.
- The adequacy of audit's risk analysis methodology used to prioritize the allocation of audit resources and formulate the audit schedule.
- The scope, frequency, accuracy, and timeliness of internal and external audit reports.
- The extent of audit participation in application development, acquisition, and testing, to ensure the effectiveness of internal controls and audit trails.
- The adequacy of the overall audit plan in providing appropriate coverage of IT risks.
- The auditors adherence to codes of ethics and professional audit standards.
- The qualifications of the auditor, staff succession, and continued development through training and continuing education.
- The existence of timely and formal follow-up and reporting on management's resolution of identified problems or weaknesses.
- The quality and effectiveness of internal and external audit activity as it relates to IT controls.

Ratings

1. A rating of ''1'' indicates strong audit performance. Audit independently identifies and reports weaknesses and risks to the board of directors or its audit committee in a thorough and timely manner. Outstanding audit issues are monitored until resolved. Audit risk analysis ensures that audit plans address all significant IT operations, procurement, and development activities with appropriate scope and frequency. Audit work is performed in accordance with professional auditing standards and report content is timely, consistent, accurate, and complete. Because audit is strong, examiners may place substantial reliance on audit results.

2. A rating of ''2'' indicates satisfactory audit performance. Audit independently identifies and reports weaknesses and risks to the board of directors or audit committee, but reports may be less timely. Significant outstanding audit issues are monitored until resolved. Audit risk analysis ensures that audit plans address all significant IT operations, procurement, and development activities; however, minor concerns may be noted with the scope or frequency. Audit work is performed in accordance with professional auditing standards; however, minor or infrequent problems may arise with the timeliness, completeness and accuracy of reports. Because audit is satisfactory, examiners may rely on audit results but because minor concerns exist, examiners may need to expand verification procedures in certain situations.

3. A rating of ''3'' indicates less than satisfactory audit performance. Audit identifies and reports weaknesses; however, independence may be compromised and reports presented to the board or audit committee may be less than satisfactory in content and timeliness. Outstanding audit issues may not be adequately monitored. Audit risk analysis is less than satisfactory. As a result, the audit plan may not provide sufficient audit scope or frequency for IT operations, procurement, and development activities. Audit work is generally performed in accordance with professional auditing standards; however, occasional problems may be noted with the timeliness, completeness and/or accuracy of reports. Because audit is less than satisfactory, examiners must use caution if they rely on the audit results.

4. A rating of ''4'' indicates deficient audit performance. Audit may identify weaknesses and risks but it may not independently report to the board or audit committee and report content may be inadequate. Outstanding audit issues may not be adequately monitored and resolved. Audit risk analysis is deficient and, as a result, the audit plan does not provide adequate audit scope or frequency for IT operations, procurement, and development activities. Audit work is often inconsistent with professional auditing standards and the timeliness, accuracy, and completeness of reports is unacceptable. Because audit is deficient, examiners will not rely on audit results.

5. A rating of ''5'' indicates critically deficient audit performance. If an audit function exists, it lacks sufficient independence and, as a result, does not identify and report weaknesses or risks to the board or audit committee. Outstanding audit issues are not collected and no follow up is performed to monitor their resolution. The audit risk analysis is critically deficient. As a result, the audit plan is ineffective and provides inappropriate audit scope and frequency for IT operations, procurement and development activities. Audit work is not performed in accordance with professional auditing standards and major deficiencies are noted regarding the timeliness, accuracy, and completeness of audit reports. Because audit is critically deficient examiners cannot rely on audit results.

Management

This rating reflects the abilities of the board and management as they apply to all aspects of IT development and operations. Management practices may need to address some or all of the following IT-related risks: strategic planning, quality assurance, project management, risk assessment, infrastructure and architecture, end-user computing, contract administration of third party service providers, organization and human resources, regulatory and legal compliance.

Sound management practices are demonstrated through active oversight by the board of directors and management, competent personnel, sound IT plans, adequate policies and standards, an effective control environment, and risk monitoring. This rating should reflect the board's and management's ability as it applies to all aspects of IT operations.

For service providers of financial institutions, additional risk factors must be weighed in the management component rating such as the service provider's financial condition, continuing viability, service level performance to financial institutions, and contractual terms and plans.

The performance of management and the quality of risk management are rated based upon an assessment of:

- The level and quality of oversight and support of the IT activities by the board of directors and management.
- The ability of management to plan for and initiate new activities or products in response to information needs and to address risks that may

[3] Financial institutions that outsource their data processing operations should obtain copies of internal audit reports, SAS 70 reviews, and/or regulatory examination reports of their service providers.

arise from changing business conditions.

- The ability of management to provide management information reports necessary for informed planning and decision making in an effective and efficient manner.
- The adequacy of, and conformance with, internal policies and controls addressing the IT operations and risks of significant activities.
- The effectiveness of risk monitoring systems.
- The timeliness of corrective action for reported and known problems.
- The level of awareness of, and compliance with laws and regulations.
- The level of planning for management succession.
- The ability of management to monitor the services delivered and to measure the organization's progress toward identified goals in an effective and efficient manner.
- The adequacy of contracts and management's ability to monitor relationships with third-party servicers.
- The adequacy of strategic planning and risk management practices to identify, measure, monitor, and control risks, including management's ability to perform self-assessments.
- The ability of management to identify, measure, monitor, and control risks and to address emerging information technology needs and solutions of the organization.
- In addition to the above factors, the following are included in the assessment of management at service providers:
- The financial condition and ongoing viability of the entity.
- The impact of external and internal trends and other factors on the ability of the entity to support continued servicing of client financial institutions.

Ratings

1. A rating of ''1'' indicates strong performance by management and the board. Effective risk management practices are in place to guide IT activities, and risks are consistently and effectively identified, measured, controlled, and monitored. Management immediately resolves audit and regulatory concerns to ensure sound operations. Written technology plans, policies and procedures, and standards are thorough and properly reflect the complexity of the IT environment. They have been formally adopted, communicated, and enforced throughout the organization. IT systems provide accurate, timely reports to management. These reports serve as the basis of major decisions and as an effective performance-monitoring tool. Outsourcing arrangements are based on comprehensive planning; routine management supervision sustains an appropriate level of control over vendor contracts, performance, and services provided. Management and the board have demonstrated the ability to promptly and successfully address existing IT problems and potential risks.

2. A rating of ''2'' indicates satisfactory performance by management and the board. Adequate risk management practices are in place and guide IT activities. Significant IT risks are identified, measured, monitored, and controlled, however, risk management processes may be less structured or inconsistently applied and modest weaknesses exist. Management routinely resolves audit and regulatory concerns to ensure effective and sound operations, however, the implementation of corrective actions may not always be in a timely manner. Technology plans, policies and procedures, and standards are adequate and are formally adopted. However, minor weaknesses may exist in management's ability to communicate and enforce them throughout the organization. IT systems provide quality reports to management which serve as a basis for major decisions and a tool for performance planning and monitoring. Isolated or temporary problems with timeliness, accuracy or consistency of reports may exist. Outsourcing arrangements are adequately planned and controlled by management, and provide for a general understanding of vendor contracts, performance standards and services provided. Management and the board have demonstrated the ability to address existing IT problems and risks successfully.

3. A rating of ''3'' indicates less than satisfactory performance by management and the board. Risk management practices may be weak and offer limited guidance for IT activities. Most IT risks are generally identified, however, processes in place to measure and monitor risk may be flawed. As a result, management's ability to control risk is less than satisfactory. Regulatory and audit concerns may be addressed, but time frames are often excessive and the corrective action taken may be inappropriate. Management may be unwilling or incapable of addressing deficiencies. Technology plans, policies and procedures, and standards exist, but may be incomplete. They may not be formally adopted, effectively communicated, or enforced throughout the organization. IT systems provide requested reports to management, but periodic problems with accuracy, consistency and timeliness lessen the reliability and usefulness of reports and may adversely influence decision making and performance monitoring. Outsourcing arrangements may be entered into without thorough planning. Management may provide only cursory supervision that limits their understanding of vendor contracts, performance standards, and services provided. Management and the board may not be capable of addressing existing IT problems and risks, evidenced by untimely corrective actions and outstanding IT problems.

4. A rating of ''4'' indicates deficient performance by management and the board. Risk management practices are inadequate and do not provide sufficient guidance for IT activities. Critical IT risks are not properly identified, and processes to measure and monitor risks are deficient. As a result, management may not be aware of and is unable to control risks. Management may be unwilling and/or incapable of addressing audit and regulatory deficiencies in an effective and timely manner. Technology plans, policies and procedures, and standards are inadequate, have not been formally adopted, or effectively communicated throughout the organization, and management does not effectively enforce them. IT systems do not routinely provide management with accurate, consistent, and reliable reports, thus contributing to ineffective performance monitoring and/or flawed decision making. Outsourcing arrangements may be entered into without planning or analysis and management may provide little or no supervision of vendor contracts, performance standards, or services provided. Management and the board are unable to address existing IT problems and risks, as evidenced by ineffective actions and longstanding IT weaknesses. Strengthening of management and its processes is necessary.

5. A rating of ''5'' indicates critically deficient performance by management and the board. Risk management practices are severely flawed and provide inadequate guidance for IT activities. Critical IT risks are not identified, and processes to measure and monitor risks do not exist, or are not effective. Management's inability to control risk may threaten the continued viability of the institution or service provider. Management is unable and/or unwilling to correct audit and regulatory identified deficiencies and immediate action by the board is required to preserve the viability of the institution or service provider. If they

exist, technology plans, policies and procedures, and standards are critically deficient. Because of systemic problems, IT systems do not produce management reports which are accurate, timely, or relevant. Outsourcing arrangements may have been entered into without management planning or analysis, resulting in significant losses to the financial institution or inappropriate vendor services.

Development and Acquisition

Development and acquisition represent an organization's ability to identify, acquire, install, and maintain appropriate information technology solutions. Management practices may need to address all or parts of the business process for implementing any kind of change to the hardware or software used. These business processes include an institution's or service provider's purchase of hardware or software, development and programming performed by the institution or service provider, purchase of services from independent vendors or affiliated data centers, or a combination of those. The business process is defined as all phases taken to implement a change including researching alternatives available, choosing an appropriate option for the organization as a whole, and converting to the new system, or integrating the new system with existing systems. This rating reflects the adequacy of the institution's systems development methodology and related risk management practices for acquisition, and deployment of information technology. This rating also reflects the board and management's ability to enhance and replace information technology prudently in a controlled environment.

For service providers of financial institutions, additional risks to the serviced institution, such as the quality of software releases, and the training provided to clients, must be weighed in the Development and Acquisition component rating.

The performance of systems development and acquisition and related risk management practice is rated based upon an assessment of:

- The level and quality of oversight and support of systems development and acquisition activities by senior management and the board of directors.
- The adequacy of the organizational and management structures to establish accountability and responsibility for systems initiatives.
- The volume, nature, and extent of risk exposure to the financial institution in the area of systems development and acquisition.
- The adequacy of the institution's Systems Development Life Cycle (SDLC) and programming standards.
- The quality of project management programs and practices which are followed by developers, operators, executive management/owners, independent vendors or affiliated servicers, and end-users.
- The independence of the quality assurance function and the adequacy of controls over program changes.
- The quality and thoroughness of system documentation.
- The integrity and security of the network, system, and application software.
- The development of information technology solutions that meet the needs of end users.
- The extent of end user involvement in the system development process.

Ratings

1. A rating of ''1'' indicates strong systems development, acquisition, implementation, and change management performance. Management and the board routinely demonstrate successfully the ability to identify and implement appropriate IT solutions while effectively managing risk. Project management techniques and the SDLC are fully effective and supported by written policies, procedures and project controls that consistently result in timely and efficient project completion. An independent quality assurance function provides strong controls over testing and program change management. Technology solutions consistently meet end user needs. No significant weaknesses or problems exist.

2. A rating of ''2'' indicates a satisfactory systems development, acquisition, implementation, and change management performance. Management and the board frequently demonstrate their ability to identify and implement appropriate IT solutions while managing risk. Project management and the SDLC are generally effective however, weaknesses may exist that result in minor project delays or cost overruns. An independent quality assurance function provides adequate supervision of testing and program change management, but minor weaknesses may exist. Technology solutions meet end user needs. However, minor enhancements may be necessary to meet original user expectations. Weaknesses may exist; however, they are not significant and they are easily corrected in the normal course of business.

3. A rating of ''3'' indicates less than satisfactory systems development, acquisition, implementation, and change management performance. Management and the board may often be unsuccessful in identifying and implementing appropriate IT solutions; therefore unwarranted risk exposure may exist. Project management techniques and the SDLC are weak and may result in frequent project delays, backlogs or significant cost overruns. The quality assurance function may not be independent of the programming function which may impact the integrity of testing and program change management. Technology solutions generally meet end user needs, but often require an inordinate level of change after implementation. Because of weaknesses, significant problems may arise that could result in disruption to operations or significant losses.

4. A rating of ''4'' indicates deficient systems development, acquisition, implementation and change management performance. Management and the board may be unable to identify and implement appropriate IT solutions and do not effectively manage risk. Project management techniques and the SDLC are ineffective and may result in severe project delays and cost overruns. The quality assurance function is not fully effective and may not provide independent or comprehensive review of testing controls or program change management. Technology solutions may not meet the critical needs of the organization. Problems and significant risks exist that require immediate action by the board and management to preserve the soundness of the institution.

5. A rating of ''5'' indicates critically deficient systems development, acquisition, implementation, and change management performance. Management and the board appear to be incapable of identifying, and implementing appropriate information technology solutions. If they exist, project management techniques and the SDLC are critically deficient and provide little or no direction for development of systems or technology projects. The quality assurance function is severely deficient or not present and unidentified problems in testing and program change have caused significant IT risks. Technology solutions do not meet the needs of the organization. Serious problems and significant risks exist which raise concern for the financial institution or service provider's ongoing viability.

Support and Delivery

Support and delivery for IT represent an organization's ability to provide technology services in a secure environment. This rating reflects not only the condition of IT operations but also factors such as reliability, security, and integrity, which may affect the quality of the information delivery system. This includes customer support and training, and the ability to manage problems and incidents, operations, system performance, capacity planning, and facility and data management. Risk management practices should promote effective, safe and sound IT operations ensuring the continuity of operations and the reliability and availability of data. The scope of this component rating includes operational risks throughout the organization and service providers.

For service providers of financial institutions, additional risk factors must be weighed in the support and delivery component rating such as the level of customer service and the management of third-party services.

The rating of IT support and delivery are based on a review and assessment of:

- The ability to provide a level of service that meets the requirements of the business.
- The adequacy of security policies, procedures, and practices in all units and at all levels of the financial institution, and service providers.
- The adequacy of data controls over preparation, input, processing, and output.
- The adequacy of corporate contingency planning and business resumption for data centers, networks, service providers and business units.
- The quality of processes or programs that monitor capacity and performance.
- The adequacy of contracts and the ability to monitor relationships with service providers.
- The quality of assistance provided to users including the ability to handle problems.
- The adequacy of operating policies, procedures, and manuals.
- The quality of physical and logical security including the privacy of data.

1. A rating of ''1'' indicates strong IT support and delivery performance. The organization provides technology services that are reliable and consistent. Service levels adhere to well-defined service level agreements and routinely meet or exceed business requirements. A comprehensive corporate contingency and business resumption plan is in place. Annual contingency plan testing and updating is performed; and, critical systems and applications are recovered within acceptable time frames. A formal written data security policy and awareness program is communicated and enforced throughout the organization. The logical and physical security for all IT platforms is closely monitored and security incidents and weaknesses are identified and quickly corrected. Relationships with third-party service providers are closely monitored. IT operations are highly reliable and risk exposure is successfully identified and controlled.

2. A rating of ''2'' indicates satisfactory IT support and delivery performance. The organization provides technology services that are generally reliable and consistent, however, minor discrepancies in service levels may occur. Service performance adheres to service agreements, and meets business requirements. A corporate contingency and business resumption plan is in place, but minor enhancements may be necessary. Annual plan testing and updating is performed; and, minor problems may occur when recovering systems or applications. A written data security policy is in place but may require improvement to ensure its adequacy. The policy is generally enforced and communicated throughout the organization, e.g. via a security awareness program. The logical and physical security for critical IT platforms is satisfactory. Systems are monitored and security incidents and weaknesses are identified and resolved within reasonable time frames. Relationships with third-party service providers are monitored. Critical IT operations are reliable and risk exposure is reasonably identified and controlled.

3. A rating of ''3'' indicates that the performance of IT support and delivery is less than satisfactory and needs improvement. The organization provides technology services that may not be reliable or consistent. As a result, service levels periodically do not adhere to service level agreements or meet business requirements. A corporate contingency and business resumption plan is in place but may not be considered comprehensive. The plan is periodically tested; however, the recovery of critical systems and applications is frequently unsuccessful. A data security policy exists; however, it may not be strictly enforced or communicated throughout the organization. The logical and physical security for critical IT platforms is less than satisfactory. Systems are monitored; however, security incidents and weaknesses may not be resolved in a timely manner. Relationships with third-party service providers may not be adequately monitored. IT operations are not acceptable and unwarranted risk exposures exist. If not corrected, weaknesses could cause performance degradation or disruption to operations.

4. A rating of ''4'' indicates deficient IT support and delivery performance. The organization provides technology services that are unreliable and inconsistent. Service level agreements are poorly defined and service performance usually fails to meet business requirements. A corporate contingency and business resumption plan may exist, but its content is critically deficient. If testing is performed, management is typically unable to recover critical systems and applications. A data security policy may not exist. As a result, serious supervisory concerns over security and the integrity of data exist. The logical and physical security for critical IT platforms is deficient. Systems may be monitored, but security incidents and weaknesses are not successfully identified or resolved. Relationships with third-party service providers are not monitored. IT operations are not reliable and significant risk exposure exists. Degradation in performance is evident and frequent disruption in operations has occurred.

5. A rating of ''5'' indicates critically deficient IT support and delivery performance. The organization provides technology services that are not reliable or consistent. Service level agreements do not exist and service performance does not meet business requirements. A corporate contingency and business resumption plan does not exist. Testing is not performed and management has not demonstrated the ability to recover critical systems and applications. A data security policy does not exist and a serious threat to the organization's security, and data integrity exists. The logical and physical security for critical IT platforms is inadequate and management does not monitor systems for security incidents and weaknesses. Relationships with third-party service providers are not monitored and the viability of a service provider may be in jeopardy. IT operations are severely deficient and the seriousness of weaknesses could cause failure of the financial institution or service provider, if not addressed.

[End of Proposed Text of Uniform Rating System for Information Technology]

Dated: June 3, 1998.

Keith Todd,

Acting Executive Secretary, Federal Financial Institutions Examination Council.

[FR Doc. 98–15231 Filed 6–8–98; 8:45 am]

BILLING CODE 6210–01–P 6720–01–P 4810–33–P 6714–01–P

FEDERAL MARITIME COMMISSION

Notice of Agreement(s) Filed

The Commission hereby gives notice of the filing of the following agreement(s) under the Shipping Act of 1984.

Interested parties can review or obtain copies of agreements at the Washington, DC offices of the Commission, 800 North Capitol Street, NW., Room 962. Interested parties may submit comments on an agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days of the date this notice appears in the **Federal Register**.

Agreement No.: 217–011624

Title: Lykes/TMM Space Charter Agreement

Parties:

Transportacion Maritima Mexicana S.A. de C.V. (''TMM'')

Lykes Lines Limited, LLC (''Lykes'')

Synopsis: The proposed Agreement authorizes Lykes to charter space to TMM and for the parties to enter into related cooperative arrangements in the trade between U.S. Gulf and South Atlantic Coast ports and ports in North Europe and Mexico

Dated: June 4, 1998.

By Order of the Federal Maritime Commission.

Ronald D. Murphy,

Assistant Secretary.

[FR Doc. 98–15334 Filed 6–8–98; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL RESERVE SYSTEM

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Board of Governors of the Federal Reserve System

SUMMARY: *Background.*

On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act, as per 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the OMB 83-Is and supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

Request for comment on information collection proposals.

The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

a. Whether the proposed collections of information are necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;

b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collections, including the validity of the methodology and assumptions used;

c. Ways to enhance the quality, utility, and clarity of the information to be collected; and

d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Comments must be submitted on or before August 10, 1998.

ADDRESSES: Comments, which should refer to the OMB control number or agency form number, should be addressed to Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551, or delivered to the Board's mail room between 8:45 a.m. and 5:15 p.m., and to the security control room outside of those hours. Both the mail room and the security control room are accessible from the courtyard entrance on 20th Street between Constitution Avenue and C Street, N.W. Comments received may be inspected in room M-P-500 between 9:00 a.m. and 5:00 p.m., except as provided in section 261.14 of the Board's Rules Regarding Availability of Information, 12 CFR 261.14(a).

A copy of the comments may also be submitted to the OMB desk officer for the Board: Alexander T. Hunt, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 3208, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: A copy of the proposed form and instructions, the Paperwork Reduction Act Submission (OMB 83-I), supporting statement, and other documents that will be placed into OMB's public docket files once approved may be requested from the agency clearance officer, whose name appears below.

Mary M. McLaughlin, Chief, Financial Reports Section (202-452-3829), Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact Diane Jenkins (202-452-3544), Board of Governors of the Federal Reserve System, Washington, DC 20551.

Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following report:

1. Report title: Bank Holding Company Report of Changes in Investments and Activities

Agency form number: FR Y-6A

OMB control number: 7100-0124

Frequency: on occasion

Reporters: bank holding companies

Annual reporting hours: 9,233

Estimated average hours per response: 0.85

Number of respondents: 2,263

Small businesses are not affected.

General description of report: This information collection is mandatory (12 U.S.C. 1844(b) and (c)) and is not routinely given confidential treatment. However, confidential treatment for the report information can be requested, in whole or part, in accordance with the instructions to the form.

Abstract: The Bank Holding Company Report of Changes in Investments and Activities is an event-generated report filed by top-tier bank holding companies to report changes in regulated investments and activities made pursuant to the Bank Holding Company Act and Regulation Y. The report collects information relating to acquisitions, divestitures, changes in activities, and legal authority. The number of FR Y-6As submitted varies depending on the reportable activity engaged in by each bank holding company.

The Federal Reserve proposes the following revisions to the FR Y-6A: (1)

simplify the method in which investments are reported to provide only one legal code for the forty-six exempt nonbank activities permissible under Section 4(c)8 of the Bank Holding Company Act, eliminating 45 codes; (2) remove the regulatory provision field from the Investments/Activities Schedule and add a new field to this schedule to capture the accounting method used (''Pooling of Interest'' or ''Purchase or Assumption'') for mergers when the survivor is a bank; (3) make minor formatting changes to the cover page and the Investments/Activities Schedule; and (4) clarify the instructions for reporting general partnerships, limited partnerships, and non-voting equity investments.

Proposal to approve under OMB delegated authority the extension for three years, without revision, of the following reports:

1. Report title: Report of Foreign (Non-U.S.) Currency Deposits

Agency form number: FR 2915

OMB control number: 7100-0237

Frequency: quarterly

Reporters: depository institutions

Annual reporting hours: 390

Estimated average hours per response: 0.5

Number of respondents: 195

Small businesses are affected.

General description of report: This information collection is mandatory (12 U.S.C. 248(a)(2) and 3105(b)(2)) and is given confidential treatment (5 U.S.C. 552(b)(4)).

Abstract: The FR 2915 collects weekly averages of the amounts outstanding for foreign (non-U.S.) currency deposits held at U.S. offices of depository institutions, converted to U.S. dollars and included in the FR 2900 (OMB No. 7100-0087), the principal deposits report that is used for the calculation of required reserves and for the construction of the monetary aggregates. Foreign currency deposits are subject to reserve requirements and, therefore, are included in the FR 2900. However, foreign currency deposits are not included in the monetary aggregates. The FR 2915 data are used to back foreign currency deposits out of the FR 2900 data for construction and interpretation of the monetary aggregates. The FR 2915 data also are used to monitor the volume of foreign currency deposits.

2. Report title: Written Security Program for State Member Banks

Agency form number: FR 4004

OMB control number: 7100-0112

Frequency: on occasion

Reporters: state member banks

Annual reporting hours: 47

Estimated average hours per response: 0.5

Number of respondents: 94

Small businesses are affected.

General description of report: This recordkeeping requirement is mandatory (12 U.S.C. 1882, 248(a)(1), and 325). Because written security programs are maintained at state member banks, no issue of confidentiality under the Freedom of Information Act arises.

Abstract: The FR 4004 information collection is a recordkeeping requirement contained in the Board's Regulation P (12 CFR 216), which implements the Bank Protection Act of 1968. Each state member bank must develop and implement a written security program and maintain it in the bank's records. There is no formal reporting form and the information is not submitted to the Federal Reserve.

3. Report title: Annual Report on Status of Disposition of Assets Acquired in Satisfaction of Debts Previously Contracted

Agency form number: FR 4006

OMB control number: 7100-0129

Frequency: annual

Reporters: bank holding companies

Annual reporting hours: 3,000

Estimated average hours per response: 5

Number of respondents: 600

Small businesses are affected.

General description of report: This information collection is mandatory (12 U.S.C. 1842(a), 1843(c)(2), and 1844(c)) and may be given confidential treatment upon request (5 U.S.C. 552(b)(4)).

Abstract: Bank holding companies that have acquired assets or shares through foreclosure in the ordinary course of collecting a debt previously contracted are required to submit the report for assets or shares that have been held beyond two years from the acquisition date. The report does not have a required format; bank holding companies submit the information in a letter. The letter contains information on the progress made to dispose of such assets or shares and allows the bank holding company to request an extension of time for holding such assets or shares.

4. Report title: Notice of Branch Closure

Agency form number: FR 4031

OMB control number: 7100-0264

Frequency: on occasion

Reporters: state member banks

Annual reporting hours: 783

Estimated average hours per response: reporting: 2; disclosure: 1; recordkeeping: 8

Number of respondents: reporting and disclosure: 226; recordkeeping: 13

Small businesses are affected.

General description of report: This information collection is mandatory (12 U.S.C. 1831r-1) and may be given confidential treatment upon request (5 U.S.C. 552(b)(4)).

Abstract: These reporting, recordkeeping, and disclosure requirements regarding the closing of any branch of an insured depository institution are imposed by section 228 of the Federal Deposit Insurance Corporation Improvement Act of 1991. There is no reporting form associated with the reporting portion of this information collection; state member banks notify the Federal Reserve by letter prior to closing a branch. The Federal Reserve uses the information to fulfill its statutory obligation to supervise state member banks.

5. Report title: Survey to Obtain Information on the Relevant Market in Individual Merger Cases

Agency form number: FR 2060

OMB control number: 7100-0232

Frequency: on occasion

Reporters: small businesses and consumers

Annual reporting hours: 55 hours

Estimated average hours per response: 10 minutes for small businesses, 6 minutes for consumers

Number of respondents: 25 small businesses and 50 consumers per survey

Small businesses are affected.

General description of report: This information collection is voluntary (12 U.S.C. 1817(j), 1828(c), and 1841 et seq.) and is given confidential treatment (5 U.S.C. 552(b)(4) and (b)(6)).

Abstract: This telephone survey is designed to determine from what sources small businesses and consumers obtain financial services. The information is needed for specific merger and acquisition applications to determine relevant banking markets in the analysis of local market competition.

Proposal to approve under OMB delegated authority the implementation of the following report:

1. Report title: Selected Balance Sheet Items for Discount Window Borrowers

Agency form number: FR 2046

OMB control number: 7100-0289

Frequency: on occasion

Reporters: depository institutions

Annual reporting hours: 3,091

Estimated average hours per response: .75 hours for adjustment or extended credit borrowers; .25 hours for seasonal credit borrowers

Number of respondents: 424 adjustment credit borrowers and 316 seasonal credit borrowers, based on 1996 borrowing. There was no extended credit borrowing during 1996, which was representative of most recent years.

Small businesses are affected.

General description of report: This information collection is mandatory (12

U.S.C. §§ 347b and 248(a)(2) and (i)) and is given confidential treatment (5 § U.S.C. 552(b)(4)).

Abstract: The Federal Reserve's Regulation A, ''Extensions of Credit by Federal Reserve Banks,'' (12 CFR 201) requires that Reserve Banks review balance sheet data in order to guard against inappropriate discount window borrowing situations. Currently, borrowers are requested to report certain balance sheet data for a period that encompasses the dates of borrowing. There is considerable variation across Districts in the specific data elements collected, in the time periods for which data are requested, and in the formats in which data are reported. The proposed FR 2046 would standardize these aspects of data collection across Reserve Banks.

Board of Governors of the Federal Reserve System, June 3, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–15273 Filed 6–8–98; 8:45AM]

Billing Code 6210–01–F

FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than June 24, 1998.

A. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. Farmers Bancshares, Inc., Hardinsburg, Kentucky; to acquire Leitchfield Deposit Bancshares Insurance, Inc., Leitchfield, Kentucky, and thereby engage in acting as principal, agent, or broker for insurance that is directly related to an extension of credit by the bank holding company or any of its subsidiaries pursuant, to § 225.28(b)(11) of Regulation Y.

Board of Governors of the Federal Reserve System, June 4, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 98–15301 Filed 6–8–98; 8:45 am]

BILLING CODE 6210–01–F

FEDERAL RESERVE SYSTEM

Federal Open Market Committee; Domestic Policy Directive of March 31, 1998.

In accordance with § 271.5 of its rules regarding availability of information (12 CFR part 271), there is set forth below the domestic policy directive issued by the Federal Open Market Committee at its meeting held on March 31, 1998.[1] The directive was issued to the Federal Reserve Bank of New York as follows:

The information reviewed at this meeting suggests that economic activity continued to grow rapidly during the early months of 1998. Nonfarm payroll employment increased sharply further in January and February, and the civilian unemployment rate, at 4.6 percent in February, equaled its low for the current economic expansion. However, growth in manufacturing payroll employment was down over the first two months of the year, and factory output decelerated appreciably. Consumer spending has risen considerably further since year-end, and housing activity also has strengthened in recent months. Available indicators point to a sharp rebound in business fixed investment following a small decline in the fourth quarter. Fragmentary data on nonfarm inventories suggest a slower rate of accumulation early in the year. The nominal deficit on U.S. trade in goods and services widened substantially in January from its average monthly rate in the fourth quarter. Despite indications of persisting pressures on employment costs associated with tight labor markets, price inflation has abated further, primarily as a consequence of large declines in energy prices.

Interest rates generally have risen somewhat on balance over the intermeeting period. Share prices in U.S. equity markets have moved up substantially further over the period. In foreign exchange markets, the value of the dollar has increased somewhat over the period in relation to the currencies of other major industrial nations, but it has depreciated relative to the currencies of most emerging market economies in Asia.

Growth of M2 and M3 picked up somewhat in the first quarter from already robust rates in the fourth quarter. Expansion of total domestic nonfinancial debt also has strengthened over recent months.

The Federal Open Market Committee seeks monetary and financial conditions that will foster price stability and promote sustainable growth in output. In furtherance of these objectives, the Committee at its meeting in February established ranges for growth of M2 and M3 of 1 to 5 percent and 2 to 6 percent respectively, measured from the fourth quarter of 1997 to the fourth quarter of 1998. The range for growth of total domestic nonfinancial debt was set at 3 to 7 percent for the year. The behavior of the monetary aggregates will continue to be evaluated in the light of progress toward price level stability, movements in their velocities, and developments in the economy and financial markets.

In the implementation of policy for the immediate future, the Committee seeks conditions in reserve markets consistent with maintaining the federal funds rate at an average of around 5-1/2 percent. In the context of the Committee's long-run objectives for price stability and sustainable economic growth, and giving careful consideration to economic, financial, and monetary developments, a somewhat higher federal funds rate would or a slightly lower federal funds rate might be acceptable in the intermeeting period. The contemplated reserve conditions are expected to be consistent with considerable moderation in the growth in M2 and M3 over coming months.

By order of the Federal Open Market Committee, May 29, 1998.

Donald L. Kohn,

Secretary, Federal Open Market Committee.

[FR Doc. 98–15272 Filed 6–8–98; 8:45 am]

BILLING CODE 6210–01–F

[1] Copies of the Minutes of the Federal Open Market Committee meeting of March 31, 1998, which include the domestic policy directive issued at that meeting, are available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The minutes are published in the Federal Reserve Bulletin and in the Board's annual report.

FEDERAL RESERVE SYSTEM

Public Meeting: Application by Travelers Group Inc., New York, New York, To Acquire Citicorp, New York, New York

AGENCY: Federal Reserve System.

ACTION: Notice of meeting.

SUMMARY: On June 25, 1998, a public meeting will be held regarding the notice submitted by the Travelers Group Inc., New York, New York (Travelers), to acquire Citicorp, New York, New York, and its banking and nonbanking subsidiaries pursuant to the Bank Holding Company Act (BHC Act) and related statutes. The purpose of the public meeting is to collect information relating to factors the Board is required to consider under the BHC Act.

DATES: The Meeting will be held on Thursday, June 25, 1998, at 9:00 a.m. EDT.

ADDRESSES: Federal Reserve Bank of New York, 33 Liberty Street, New York, New York.

FOR FURTHER INFORMATION CONTACT: Elizabeth Rodriguez Jackson, Community Affairs Officer, Federal Reserve Bank of New York, 33 Liberty Street, New York, New York 10045. Telephone: 212/720–5921. Facsimile: 212/720–7841.

SUPPLEMENTARY INFORMATION: On May 4, 1998, Travelers filed a notice requesting the Board's approval to acquire Citicorp pursuant to the BHC Act (12 U.S.C. 1841 *et seq.*) and related statutes. The factors the Board must consider in evaluating the proposal under the BHC Act are the effects of the proposal on the financial and managerial resources and future prospects of the companies and banks involved in the proposal, competition in the relevant markets, and the convenience and needs of the communities to be served. Convenience and needs considerations include consideration of the records of performance of Travelers and Citicorp under the Community Reinvestment Act, which requires the Board to take into account in its consideration of a bank acquisition proposal the institutions' record of meeting the credit needs of its entire community, including low-and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. 12 U.S.C. 2903.

The transaction also involves the proposed acquisition or retention of a number of nonbanking companies engaged in activities permissible for bank holding companies as well as a proposal to divest or otherwise conform a number of other activities that are not permissible for bank holding companies under current law. With respect to the proposal to conduct permissible nonbanking activities, the Board also must determine whether conducting the proposed nonbanking activities can reasonably be expected to produce benefits to the public that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices.

Procedures for Hearing

Testimony at the public meeting will be presented to a panel consisting of a Presiding Officer, or his designee, and other panel members appointed by the Presiding Officer. The Presiding Officer at the meeting will be Glenn E. Loney, Deputy Director of the Board's Division of Consumer and Community Affairs. In conducting the public meeting, the Presiding Officer will have the authority and discretion to ensure that the meeting proceeds in a fair and orderly manner. In contrast to a formal administrative hearing, the rules for taking evidence in an administrative proceeding will not apply to this public meeting. Panel members may question witnesses, but no cross-examination of witnesses will be permitted. The public meeting will be transcribed and information regarding procedures for obtaining a copy of the transcript will be announced at the public meeting.

On the basis of the requests received, the Presiding Officer will prepare a schedule for persons wishing to testify. In order to ensure an opportunity for all interested commenters to present their views, the Presiding Officer may limit the time for presentation and establish the order of presentation. Persons not listed on the schedule may be permitted to speak at the public meeting at the discretion of the Presiding Officer if time permits at the conclusion of the schedule of witnesses. Copies of testimony may, but need not, be filed with the Presiding Officer before a person's presentation.

Request To Testify

All persons wishing to testify at the public meeting must submit a written request to Elizabeth Rodriguez Jackson, Community Affairs Officer, Federal Reserve Bank of New York, 33 Liberty Street, New York, New York 10045 (facsimile: 212/720–7841), not later than 5:00 p.m. EDT, June 12, 1998. The request must include the following information: (i) A brief statement of the nature of the expected testimony and the estimated time required for the presentation; (ii) Address and telephone number (and facsimile number, if available) of the person testifying; and (iii) Identification of any special needs, such as persons desiring translation services, persons with a physical disability who may need assistance, or persons requiring visual aids for their presentation. To the extent available, translators will be provided to persons wishing to present their views in a language other than English if this information is included in the request to testify. Persons interested only in attending the meeting do not need to submit a written request to attend.

By order of the Board of Governors of the Federal Reserve System, June 5, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–15451 Filed 6–5–98; 1:24 pm]

BILLING CODE 6210–01–P

FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 11:00 a.m., Monday, June 15, 1998.

PLACE: Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, N.W., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Eccles Federal Reserve Building infrastructure enhancement project.
2. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
3. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Lynn S. Fox, Assistant to the Board; 202–452–3204.

SUPPLEMENTARY INFORMATION: You may call 202–452–3206 beginning at approximately 5 p.m. two business days before the meeting for a recorded announcement of bank and bank holding company applications scheduled for the meeting; or you may contact the Board's Web site at http://www.bog.frb.fed.us for an electronic announcement that not only lists applications, but also indicates procedural and other information about the meeting.

Dated: June 5, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–15500 Filed 6–5–98; 3:47 pm]

BILLING CODE 6210–01–M

FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Proposed Collection; Comment Request; Extension

AGENCY: Federal Trade Commission.

ACTION: Notice.

SUMMARY: The Federal Trade Commission (FTC) is soliciting public comments on the proposed extension of Paperwork Reduction Act clearances for information collection requirements contained in its regulations under the Comprehensive Smokeless Tobacco Health Education Act of 1986 (''Smokeless Tobacco Act'' or the ''Act''). The Office of Management and Budget (OMB) clearance expires on August 31, 1998. The FTC proposes that OMB extend its approval for the regulation an additional three years through August 31, 2001. The proposed information collection requirements described below will be submitted to OMB for review, as required by the Paperwork Reduction Act.

DATES: Comments must be submitted on or before August 10, 1998.

ADDRESSES: Send written comments to Gary M. Greenfield, Office of the General Counsel, Federal Trade Commission, Washington, D.C. 20580, (202) 326–2753. All comments should be identified as responding to this notice.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the proposed information requirements should be addressed to Nancy Warder, Attorney, Division of Advertising Practices, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580, (202) 326–3048.

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501–3520), Federal agencies must obtain approval from OMB for each collection of information they conduct or sponsor. ''Collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes agency request or requirements that members of the public submit reports, keep records, or provide information to a third party. As required by section 3506(c)(2)(A) of the PRA, the FTC is providing this opportunity for public comment before requesting that OMB extend the existing paperwork clearance for the regulations under the Comprehensive Smokeless Tobacco Health Education Act of 1987 (OMB Control Number 3084–0082).

The FTC invites comments on: (1) 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; (2) 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; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to 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. The FTC will submit the proposed information collection requirements to OMB for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended).

Description of the collection of information and proposed use: The Smokeless Tobacco Act, 15 U.S.C. 4401–4408, requires, among other things, that manufacturers, packagers, and importers of smokeless tobacco products include health warnings on packages and in advertisements. The Act also requires that each manufacturer, packager, and importer of smokeless tobacco products submit a plan to the Commission specifying the method to rotate, display, and distribute the warning statement required to appear in advertising and labeling. The Commission is required to determine that these plans provide for rotation, display, and distribution of warnings in compliance with the Act and implementing regulations. All the affected companies have previously filed plans, but the plan submission requirement continues to apply to a company that amends its plan, or to a new company that enters the market.

Estimate of information collection annual hourly burden: 1,000 hours (rounded). The FTC is reducing the estimated burden for fourteen smokeless tobacco companies to prepare and submit amended compliance plans from the current estimate of 2,000 hours to 1,000 hours, rounded up from 560. Staff believes the reduced estimate is conservative. Prior burden estimates were based on companies' experience preparing and filing their initial plans. At this stage, however, all affected companies having long ago filed their plans with the Commission (there have been no entrants to the industry since 1986). Additional annual reporting burdens would occur only if these companies opt to change the way they display the warnings required by the Smokeless Tobacco Act.

Although it is not possible to predict whether any of these companies will seek to amend an existing approved plan (and possibly none will), staff conservatively assumes that each company will file one amendment per year. This estimate is conservative because, over the past three years, only one company has submitted an amendment to its plan, excepting required amendments regarding the display of the warnings on point-of-sale and non-point-of-sale promotional items that were included as annual hours in the prior submission pursuant to the Paperwork Reduction Act. This amendment required only 40 hours to prepare, which is considerably less time than individual companies' preparation of their initial plans. Commission staff believes it reasonable to assume that each company would consume approximately that amount of time to prepare an amended plan. Based on these assumptions, the total annual hourly burden should not exceed 1,000 hours (14 companies X 40 hrs. each, rounded to the nearest thousand).

Estimate of information collection annual cost burden: none. The Commission knows of no annual recodkeeping cost burden associated with the plans for the display of the warnings. After the Commission approves the plan for the display of the warnings required by the Smokeless Tobacco Act, the companies are required to make additional submissions to the Commission only if there is a change in the way that they choose to display the warnings. Once the companies have prepared plates to print the required warnings on their labels, there are no additional set-up costs associated with the display of the warnings in labeling. Similarly, once the companies have prepared acetates of the required warnings for advertising and promotional materials, there are no additional set-up costs associated with printing the warnings in those materials. These set-up costs were incurred prior to October 1, 1995.

Debra A. Valentine,

General Counsel.

[FR Doc. 98–15304 Filed 6–8–98; 8:45 am]

BILLING CODE 6750–01–M

GENERAL SERVICES ADMINISTRATION

Office of Governmentwide Policy, Travel and Transportation Policy Division; Establishment of New Standard Forms

AGENCY: General Services Administration.

ACTION: Notice.

SUMMARY: The Office of Governmentwide Policy, Travel and Transportation Division is establishing two new forms, Standard Form 326, Semiannual Report Of Payments Accepted From A Non-Federal Source, and Standard Form 326A, Semiannual Report Of Payments Accepted From A Non-Federal Source—Continuation. Section 302 of the Ethics Reform Act of 1989 (Pub. L. 101–194, November 30, 1989), amended title 31, United States Code, requires the collection of this information.

Since these new forms are authorized for local reproduction, you can obtain the camera copy for each in three ways:

From the U.S. Government Policy CD–ROM;

On the Internet. Address: http://www.gsa.gov/forms, or;

From CARM, Attn.: Barbara Williams, (202) 501–0581.

FOR FURTHER INFORMATION CONTACT: Ms. Jane Groat, Travel and Transportation Policy Division (202) 501–4318. This contact is for information on completing the forms and interpreting the Act only.

DATES: Effective upon publication in the **Federal Register.** (June 9, 1998).

Dated: June 2, 1998.

Barbara M. Williams,

Deputy Standard and Optional Forms Management Officer.

[FR Doc. 98–15244 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–M

GENERAL SERVICES ADMINISTRATION

[OMB Control No. 3090–0014]

Submission for OMB Review; Comment Request Entitled Transfer Order-Surplus Personal Property and Continuation Sheet

AGENCY: Federal Supply Service, GSA.

Extension to an existing OMB clearance (3090–0014).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Office of Acquisition Policy has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Transfer Order—Surplus Personal Property and Continuation sheet.

DATES: *Comment Due Date: August 10, 1998.*

FOR FURTHER INFORMATION CONTACT: Andrew Dingle (703) 305–6190.

ADDRESSES: Comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, should be submitted to: Edward Springer, GSA Desk Officer, Room 3235, NEOB, Washington, DC 20503, and to Marjorie Ashby, General Services Administration (MVP), 1800 F Street, NW., Washington, DC 20405.

SUPPLEMENTARY INFORMATION:

A. Purpose

The GSA is requesting the Office of Management and Budget (OMB) to review and approve information collection 3090–0014, Transfer Order—Surplus Personal Property and Continuation Sheet. This form is used by public agencies, nonprofit educational or public health activities, programs for the elderly, service educational activities, and public airports to apply for donation of Federal surplus personal property. The SF 123 serves as the transfer instrument and includes item descriptions, transportation instructions, nondiscrimination assurances, and approval signatures.

B. Annual Reporting Burden

Respondents: 63,000; annual responses: 63,000; average hours per response: .30; burden hours: 18,900.

Copy of Proposal

A copy of this proposal may be obtained from the GSA Acquisition Policy Division (MVP), Room 4011, GSA Building, 1800 F Street, NW., Washington, DC 20405, or by telephoning (202) 501–3822, or by faxing your request to (202) 501–3341.

Dated: June 1, 1998.

Ida M. Ustad,

Deputy Associate Administrator for Acquisition Policy.

[FR Doc. 98–15243 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–61–M

GENERAL SERVICES ADMINISTRATION

Interagency Committee for Medical Records (ICMR); Automation of Medical Standard Form 536

AGENCY: General Services Administration.

ACTION: Guideline on Automating Medical Standard Forms.

BACKGOUND: The Interagency Committee on Medical Records (ICMR) is aware of numerous activities using computer-generated medical forms, many of which are not mirror images of the genuine paper Standard Form. With GSA's approval the ICMR eliminated the requirement that every electronic version of medical Standard/Optional form be reviewed and granted an exception. The committee proposes to set required fields standards and that activities developing computer-generated versions adhere to the required fields but not necessarily to the image. The ICMR plans to review medical Standard/Optional forms which are commonly used and/or commonly computer-generated. We will identify those fields which are required, those (if any) which are optional, and the required format (if necessary). Activities may not add data elements that would change the meaning of the form. This would require written approval from the ICMR. Using the process by which overprints are approved for paper Standard/Optional forms, activities may add other data entry elements to those required by the committee. With this decision, activities at the local or headquarters level should be able to develop electronic versions which meet the committee's requirements. This guideline controls the ''image'' or required fields but not the actual data entered into the field.

SUMMARY: With GSA's approval, the Interagency Committee on Medical Records (ICMR) eliminated the requirement that every electronic version of a medical Standard/Optional form be reviewed and granted an exception. The following fields must appear on the electronic version of the following form:

ELECTRONIC ELEMENTS FOR SF 515

Item	Placement*
Text:	
Title: Pediatric Nursing Notes	Top of form.
Form ID: Standard Form 536 (Rev. 2–95)	Bottom right corner of form.
Data entry fields:	
Date Hour	
Temp Wt.	
Diet	
Amt. Taken	
Vomited	
Urine	
Stools	
Treatments, Medications	
Nursing Notes	
Patient's Name—last, first, middle	Bottom left corner of form.
Patient's ID No. or SSN	
Hospital or Medical Facility	
Register No.	
Ward No.	

*If no placement indicated, items can appear anywhere on the form.

FOR FURTHER INFORMATION CONTACT:

The Interagency Committee for Medical Records via General Services Administration (CARM); 1800 F Street, NW, Room 7136; Washington, DC 20405–0002.

Dated: May 12, 1998.

Capt. Patricia Buss, MC, USN,

Chairperson, Interagency Committee on Medical Records.

[FR Doc. 98–15246 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–P

GENERAL SERVICES ADMINISTRATION

Interagency Committee for Medical Records (ICMR); Automation of Medical Standard Form 515

AGENCY: General Services Administration.

ACTION: Guideline on Automating Medical Standard Forms.

BACKGROUND: The Interagency Committee on Medical Records (ICMR) is aware of numerous activities using computer-generated medical forms, many of which are not mirror images of the genuine paper Standard Form. With GSA's approval the ICMR eliminated the requirement that every electronic version of a medical Standard/Optional form be reviewed and granted an exception. The committee proposes to set required fields standards and that activities developing computer-generated versions adhere to the required fields but not necessarily to the image. The ICMR plans to review medical Standard/Optional forms which are commonly used and/or commonly computer-generated. We will identify those fields which are required, those (if any) which are optional, and the required format (if necessary). Activities may not add data elements that would change the meaning of the form. This would require written approval from the ICMR. Using the process by which overprints are approved for paper Standard/Optional forms, activities may add other data entry elements to those required by the committee. With this decision, activities at the local or headquarters level should be able to develop electronic versions which meet the committee's requirements. This guideline controls the ''image'' or required fields but not the actual data entered into the field.

SUMMARY: With GSA's approval, the Interagency Committee on Medical Records (ICMR) eliminated the requirement that every electronic version of a medical Standard/Optional form be reviewed and granted an exception. The following fields must appear on the electronic version of the following form:

ELECTRONIC ELEMENTS FOR SF 515

Item	Placement*
Text:	
Title: Tissue Examination	Top of form.
Form ID: Standard Form 515 (Rev. 8–97)	Bottom right corner of form.
Data entry fields:	
Specimen Submitted By	
Date Obtained	
Specimen	
Brief Clinical History (Include duration of lesion and rapidity of growth, if a necoplasm)	
Preoperative Diagnosis	
Operative Findings	
Postoperative Diagnosis	
Signature	
Name of Signer	
Title of Signer	
Pathological Report**	

ELECTRONIC ELEMENTS FOR SF 515—Continued

Item	Placement*
Name of Laboratory	
Accession No(s)***	
Gross Description, Histologic Examination and Diagnoses	
Signature of Pathologist	
Name of Pathologist	
Date****	
Hospital or Medical Facility	
Records Maintained At	
Department/Service of Patient	
Relation to Sponsor	
Sponsor's Name (Last, first, middle)	
Sponsor's ID Number (SSN or Other)	
Patient's Name (last, first, middle)	Bottom left. Corner of form. (All items that start with "Patient's")
Patient's ID No. or SSN	
Patient's Sex	
Patient's Date of Birth	
Patient's Rank/Grade	
Register No.	
Ward No.	

*If no placement indicated, items can appear anywhere on the form.
**Optional title to cover next 6 items in list.
***Date Pathologist signed form.

FOR FURTHER INFORMATION CONTACT: The Interagency Committee for Medical Records via General Services Administration (CARM); 1800 F Street, NW., Room 7136; Washington, DC 20405–0002.

Dated: May 12, 1998.

Capt. Patricia Buss, MC, USN,

Chairperson, Interagency Committee on Medical Records.

[FR Doc. 98–15245 Filed 6–8–98; 8:45 am]

BILLING CODE 6820–34–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Agency Information Collection Activities: Submission for OMB Review; Comment Request

The Department of Health and Human Services, Office of the Secretary publishes a list of information collections it has submitted to the Office of Management and Budget (OMB) for clearance in compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) and 5 CFR 1320.5. The following are those information collections recently submitted to OMB.

1. Applicant Background Survey—0990–0208—Extension—This form will be used to ask applicants for employment how they learned about a vacancy, to make sure that recruitment sources yield qualified women, minority and handicapped applicants in compliance with EEOC Management Directives. Respondents: Individuals; Annual Number of Respondents: 310,000; Annual Frequency of Response: one time; Average Burden per Response: 2 minutes; Total Annual Burden: 10,333 hours.

OMB Desk Officer: Allison Eydt.

Copies of the information collection packages listed above can be obtained by calling the OS Reports Clearance Officer on (202) 690–6207. Written comments and recommendations for the proposed information collection should be sent directly to the OMB desk officer designated above at the following address: Human Resources and Housing Branch, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street N.W., Washington, D.C. 20503.

Comments may also be sent to Cynthia Agens Bauer, OS Reports Clearance Officer, Room 503H, Humphrey Building, 200 Independence Avenue S.W., Washington DC, 20201. Written comments should be received within 30 days of this notice.

Dated: May 29, 1998.

Dennis P. Williams,

Deputy Assistant Secretary, Budget.

[FR Doc. 98–15274 Filed 6–8–98; 8:45 am]

BILLING CODE 4150–04–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Health Care Policy and Research

Notice of Meetings

In accordance with section 10(d) of the Federal Advisory Committee Act (5 U.S.C. Appendix 2) announcement is made of the following subcommittees scheduled to meet during the month of June 1998:

Name: Health Care Technology and Decision Sciences.

Date and Time: June 12, 1998, 1:00 p.m.

Place: Agency for Health Care Policy and Research, 2101 East Jefferson Street, Suite 400, Rockville, Maryland 20852.

Open June 12, 1:00 p.m. to 1:15 p.m.

Closed for remainder of meeting.

Name: Health Systems Research.

Date and Time: June 17, 1998, 8:00 a.m.

Place: Radisson Barcelo, 2121 P Street, NW, Room TBD, Washington, DC 20037.

Open June 17, 8:00 a.m. to 8:15 a.m.

Closed for remainder of meeting.

Name: Health Care Quality and Effectiveness Research.

Date and Time: June 19, 1998 8:00 a.m.

Place: Radisson Barcelo, 2121 P Street, NW, Room TBD, Washington, DC 20037.

Open June 19, 8:00 a.m. to 8:15 a.m.

Closed for remainder of meeting.

Purpose: To review and evaluate grant applications.

Agenda: The open session of the meetings will be devoted to business covering administrative matters and reports. During the closed sessions, the Subcommittees will be reviewing and discussing grant applications dealing with health services research issues. In accordance with the Federal Advisory Committee Act, section 10(d) of 5 U.S.C., Appendix 2 and 5 U.S.C., 552b(c)(6), the Administrator, Agency for Health Care Policy and Research, has made a formal determination that these latter sessions will be closed because the discussions are likely to reveal personal information concerning individuals associated with the applications. This information is exempt from mandatory disclosure.

Anyone wishing to obtain a roster of members, minutes of the meetings, or other

relevant information should contact Ms. Jenny Griffith, Committee Management Officer, Office of Scientific Affairs, Agency for Health Care Policy and Research, 2101 East Jefferson Street, Suite 400, Rockville, Maryland 20852, Telephone (301) 594–1455 x 1036.

Agenda items for these meetings are subject to change as priorities dictate.

Dated: June 2, 1998.

John M. Eisenberg,

Administrator.

[FR Doc. 98–15270 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–90–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Toxic Substances and Disease Registry

[Program Announcement 98074]

The Great Lakes Human Health Effects Research Program Notice of Availability of Funds for Fiscal Year 1998

Introduction

The Agency for Toxic Substances and Disease Registry (ATSDR) announces the availability of fiscal year (FY) 1998 funds for the continuation of a grant program to conduct research on the impact on human health of fish consumption from the Great Lakes. Congressionally mandated funds are provided to the ATSDR to conduct studies of the human health impact of consuming contaminated fish from the Great Lakes, as amended and authorized by the Great Lakes Critical Programs Act of 1990. ATSDR's mission includes the prevention of adverse health effects resulting from human exposure to hazardous substances in the environment. The ATSDR Great Lakes Human Health Effects Research Program will focus on identified populations that have a potentially higher risk of long-term adverse health effects from exposure to contaminants in Great Lakes fish, i.e., Native Americans, sport anglers, urban poor, the elderly, Asian Americans and other non-English speaking populations, and fetuses and nursing infants of mothers who consume contaminated Great Lakes fish.

ATSDR is committed to achieving the health promotion and disease prevention objectives of Healthy People 2000, a national activity to reduce morbidity and mortality and improve the quality of life. This announcement is related to the priority area of Environmental Health. (For ordering a copy of Healthy People 2000, see the Section WHERE TO OBTAIN ADDITIONAL INFORMATION.)

Authority

This program is authorized in Sections 104(i)(5)(A) and (15) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA) [42 U.S.C. 9604(i)(5)(A) and (15)]; and section 106, subsection 118(e) of the Great Lakes Critical Programs Act of 1990 [33 U.S.C. 1268(e)].

Smoke-Free Workplace

ATSDR strongly encourages all grant recipients to provide a smoke-free workplace and to promote the non-use of all tobacco products, and Public Law 103–227, the Pro-Children Act of 1994, prohibits smoking in certain facilities that receive Federal funds in which education, library, day care, health care, and early childhood development services are provided to children.

Eligible Applicants

Eligible applicants are the Great Lake States and political subdivisions thereof, including federally recognized Indian tribal governments. State organizations, including State universities, State colleges, and State research institutions, must affirmatively establish that they meet their respective State's legislative definition of a State entity or political subdivision to be considered an eligible applicant. The Great Lake States include Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin, consistent with Section 106, subsection 118(e) of the Great Lakes Critical Programs Act of 1990 [33 U.S.C. 1268(e)]. ATSDR encourages collaborative efforts among these potential applicants.

Availability of Funds

Approximately $2.4 million is available in FY 1998 to fund approximately 10 re-competing awards. It is expected that the average award will be $250,000, ranging from $200,000 to $300,000. It is expected that the re-competing awards will be made on or about September 30, 1998, for a 12-month budget period and a project period of up to 3 years. Funding estimates may vary and are subject to change. This program is available only to the ten currently funded grantees. Continuation awards within the project period will be made on the basis of satisfactory progress and the availability of funds.

Use of Funds

Funds may be expended for reasonable program purposes, such as personnel, travel, supplies and services. Funds for contractual services may be requested; however, the grantee, as the direct and primary recipient of ATSDR grant funds, must perform a substantive role in carrying out project activities and not merely serve as a conduit for an award to another party or provide funds to an ineligible party. Equipment may be purchased with grant funds. However, the equipment proposed should be appropriate and reasonable for the research activity to be conducted. Property may be acquired only when authorized in the grant. The grantee, as part of the application process, should provide a justification of need to acquire property, the description, and the cost of purchase versus lease.

Background

The Great Lakes basin comprises one-fifth of the total freshwater on the earth's surface and is the historical heartland for American industrial and agricultural activity. The physical nature of the basin and the long retention time of the chemicals in the Lakes combine to make this huge freshwater resource a repository for chemical byproducts of these production activities. Through the process of bioaccumulation, these pollutants are taken up by aquatic life and become especially concentrated in Great Lakes game fish, and other wildlife. The presence of toxic substances in the Great Lakes continues to be a significant concern in the 1990s. Eleven of the most persistent and widespread toxic substances were identified as ''critical Great Lakes pollutants'' by the International Joint Commission (IJC). The critical pollutants are polychlorinated biphenyls (PCBs), dichlorodiphenyl trichloroethane (DDT and its metabolites), dieldrin, toxaphene, mirex, methylmercury, benzo[a]pyrene, hexachlorobenzene, furans, dioxins, and alkylated lead. Associations between the consumption of contaminated Great Lakes fish and long-term adverse health effects have been demonstrated in certain susceptible populations.

Research conducted as part of this program may also serve to fill priority data needs identified in ATSDR's Substance-Specific Applied Research Program. PCB's, DDT, dieldrin, mercury, PAHs and lead are members of the first set of 38 substances selected by ATSDR for initiation of this Superfund mandated program (56 FR 52178). This research may also provide information for the assessment of human risk from simultaneous exposure to chemical mixtures in the Great Lakes basin; and

extend the knowledge of the effects of Great Lakes contaminants on human reproductive/developmental, behavioral, neurologic, endocrinologic, and immunologic health effects. Finally, ATSDR anticipates that the findings generated from this research program can be utilized on a national level by providing a ''model'' for other ecosystem level studies intended to determine potential human health impacts of hazardous wastes.

Purpose

The purpose of this announcement is to solicit scientific proposals designed to investigate and characterize the association between the consumption of contaminated Great Lakes fish and potential long-term adverse health effects. The research objectives of this program are to: (1) build upon and amplify the results from past and on-going research in the Great Lakes basin; (2) develop information, databases and research methodology that will provide long-term benefit to human health effects research in the Great Lakes basin; (3) provide direction for future health effects research; (4) provide health information to State and local health officials, the concerned public and their medical health care professionals; and (5) in concert with State and local health officials, increase the public awareness regarding the potential health implications of toxic pollution in the Great Lakes basin; and (6) coordinate as necessary with relevant research programs and activities of other agencies, including those of the Food and Drug Administration (FDA), Centers for Disease Control and Prevention (CDC), National Institutes of Health (NIH), and the Indian Health Service (IHS), as well as the Environmental Protection Agency (EPA), and State and local health departments, to ameliorate adverse public health impacts of persistent toxic substances in the Great Lakes basin.

Program Requirements

ATSDR will provide financial assistance to applicants in conducting studies on potential human health effects which result from human consumption of contaminated fish from the Great Lakes basin, particularly in the 31 areas of concern within the U.S. boundaries identified by the International Joint Commission. ATSDR encourages the submission of applications that emphasize research that will extend existing studies. ATSDR is also interested in funding applicant programs that identify populations which have a higher risk of short- and long-term adverse health effects from exposure to Great Lakes contaminants in fish, i.e., Native Americans, sport anglers, urban poor, the elderly, Asian Americans and other non-English speaking populations, and fetuses and nursing infants of mothers who consume contaminated Great Lakes fish. Priority areas of research for this program include:

1. Characterizing exposure and determining the profiles and levels of Great Lakes contaminants in biological tissues and fluids in high risk populations;

2. Identifying sensitive and specific human health endpoints, i.e., reproductive/developmental, behavioral, endocrinologic, and immunologic effects and correlating them to exposure to Great Lakes contaminants (several of these contaminants have been identified as endocrine disruptors); and

3. Determining the short- and long-term risk(s) of adverse health effects in children which result from parental exposure to Great Lakes contaminants.

All applicants should also participate in the ATSDR Great Lakes research quality assurance and quality control (QA/QC) and tissue bank programs.

Proposed projects covering these priority areas should include strategies (risk communication and health intervention) to inform susceptible populations about the potential human health impact of consuming contaminated fish from the Great Lakes.

Based upon research findings, longer term priority areas may include, but are not limited to:

1. Establishing the chemical etiology between exposure, body burden levels, and adverse health effects;

2. Investigating the feasibility of, or establishing, registries and/or surveillance cohorts in the Great Lakes region; and

3. Establishing a chemical mixtures database with emphasis on tissue and blood levels in order to identify new cohorts, conduct surveillance and health effects studies, and establish registries and/or surveillance cohorts.

In awarding grants pursuant to the ATSDR Great Lakes Human Health Effects Research Program, ATSDR shall consider proposed projects that will help fill information gaps and address research needs regarding the human health impact of consumption of contaminated fish from the Great Lakes. ATSDR encourages collaborative efforts among potential applicants in pursuing these research needs.

Technical Reporting Requirements

1. Progress and Financial Reports

An original and two copies of an annual progress report and financial status report are required no later than 90 days after the end of the budget period. Final financial and performance reports are required no later than 90 days after the end of the project period. All reports are submitted to Ron Van Duyne, Grants Management Officer, Grants Management Branch, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, Mailstop E–13, Atlanta, GA 30305.

The progress report must include the following for the program, function, or activity involved: (1) a comparison of actual accomplishments to the goals established for the period; (2) the reasons for slippage if established goals are not met; and (3) other pertinent information.

2. Peer and Technical Reviews

A. CERCLA, as amended by SARA, Section 104(i)(13), and [42 U.S.C. 9604 (I)] requires all studies and results of research (other than public health assessments) that ATSDR carries out or funds in whole or in part will be peer reviewed by ATSDR. The ATSDR peer review process for final reports requires that:

1. Studies must be reported or adopted only after appropriate peer review.

2. Studies shall be peer reviewed within a period of 60 days to the maximum extent practical.

3. Studies shall be reviewed by no fewer than three or more than seven reviewers who (1) are selected by the Administrator, ATSDR; (2) are disinterested Scientific experts; (3) have a reputation for scientific objectivity; and (4) who lack institutional ties with any person involved in the conduct of the study or research under review.

B. ATSDR encourages the rapid reporting and interpretation of laboratory results and references back to individual participants. However, if summary tables or distribution of laboratory results are prepared using the study data, this is considered a preliminary finding and will require ATSDR technical and peer review *prior to release.*

C. When, in the opinion of the investigator(s), a public health concern exists requiring the release of summary study statistics prior to the completion of the study, the investigator must obtain concurrence from ATSDR prior to releasing the summary statistics. A request for ATSDR concurrence for the release of information must be

documented in a letter to ATSDR and should outline the public health concern, and recommended response, and *the draft document proposed for release by the investigator.* ATSDR will provide a technical review and peer review within ten (10) working days to the maximum extent possible. *Summary statistics may be released only after peer review.* The release of summary statistics does not preclude the requirement for a final report.

D. By statute, the reporting of *preliminary studies and preliminary research* results to the public is not acceptable without prior review by ATSDR. This includes manuscripts prepared for publication, presentations at scientific meetings, and reporting of preliminary findings to the community or the media.

E. The final report for every study should include a detailed description of the problem, hypothesis, methods, results, conclusions, and recommendations that constitute a complete performance record of the study.

F. ATSDR is responsible for the technical and peer review of draft final reports of any study that it funds prior to the submission of the final report. This will allow for the recipient to incorporate all technical and peer review comments into the final report. Responses to all ATSDR required technical and peer review comments should be summarized in a letter to ATSDR. This letter should also include the investigator's response to each comment and a rationale for those responses. Based upon the comments of the technical and peer reviewers, modifications in the study report may result. The modified study report should accompany the letter to ATSDR.

G. ATSDR will make available assistance to investigators in formatting and copy editing draft final reports, should the investigator request this assistance. Editing will be conducted by ATSDR staff and an edited copy of the draft final report will be supplied to the investigator for review and concurrence. Editing will occur DURING the conduct of the peer review. It is requested that the report be furnished in WordPerfect 5.1 on a disk with the hard copy double-spaced, with clearly numbered pages, unbound and unstapled, and printed on one side only. All appendices, including maps and reproduced forms used in this study, should be furnished to ATSDR by the investigator.

H. Following the steps outlined above, a final report of all studies and results of research carried out or supported by ATSDR must be submitted to the Procurement and Grants Office with a copy furnished to ATSDR.

I. If assistance in printing the final report is needed, the Principal Investigator can submit a hard copy of the final report to the Procurement and Grants Office with a copy furnished to the Division of Toxicology, ATSDR.

Application Content

The application must be developed in accordance with PHS Form 5161–1 (OMB) Number 0937–0189) information. In a narrative form, the application should include a discussion of areas listed under the ''Evaluation Criteria'' section of this announcement as they relate to the proposed program. Because these criteria serve as the basis for evaluating the application, omissions or incomplete information may affect the rating of the application. Although this program does not require in-kind support or matching funds, the applicant should describe any in-kind support in the application. For example, if the in-kind support includes personnel, the applicant should provide the qualifying experience of the personnel and clearly state the type of activity to be performed.

An original application and two copies should be submitted. The application pages must be clearly numbered, and a complete index to the application and its appendices must be included. The original and each copy of the application must be submitted unstapled and unbound. All material must be typed single-spaced, with un-reduced type on a 8 ½0″ by 11″ paper, with at least 1″ margins, and printed on one side only.

Evaluation Criteria

Re-Competing applications will be reviewed and evaluated according to the following criteria:

1. Scientific and Technical Review Criteria of New Applications

A. Proposed Program—60 %

The extent to which the applicant's proposal addresses:

(1) The scientific merit of the hypothesis of the proposed project, including the originality of the approach and the feasibility, adequacy, and rationale of the design (the design of the study should ensure statistical validity for comparison with other research projects;

(2) The technical merit of the methods and procedures (analytic procedures should be state of the art, including participation in a quality assurance and quality control program for comparison with other research projects) for the proposed project, including the degree to which the project can be expected to yield results that meet the program objective as described in the PURPOSE section of this announcement;

(3) The proposed project schedule, including clearly established and obtainable project objectives for which progress toward attainment can and will be measured;

(4) The proposed mechanism to be utilized as a resource to address community concerns and opinion, and create lines of communication; and

(5) The proposed method to disseminate the study results to State and local public health officials, tribal governments, Indian Health Service, community residents, and to other concerned individuals and organizations.

B. Program Personnel—30%

The extent to which the proposal has described:

(1) The qualifications, experience, and commitment of the Principal Investigator, and his/her ability to devote adequate time and effort to provide effective leadership; and

(2) The competence of associate investigators to accomplish the proposed study, their commitment, and time devoted to the study.

C. Applicant Capability—10%

Description of the adequacy and commitment of the institutional resources to administer the program and the adequacy of the facilities as they impact on performance of the proposed study.

D. Program Budget—(Not Scored)

The extent to which the budget is reasonable, clearly justified, and consistent with intended use of grant funds. Budget should reflect funds for participation in the QA/QC program.

E. Human Subjects—(Not Scored)

The extent to which the applicant complies with the Department of Health and Human Services Regulations (45 CFR Part 46) regarding the protection of human subjects.

2. Review of Continuation Applications

Continuation awards within the project period will be made on the basis of the following criteria:

A. Satisfactory progress has been made in meeting project objectives;

B. Objectives for the new budget period are realistic, specific, and measurable;

C. Proposed changes in described long-term objectives, methods of operation, need for grant support, and/

or evaluation procedures will lead to achievement of project objectives; and

D. Budget request is clearly justified and consistent with the intended use of grant funds.

Executive Order 12372

The applications submitted under this announcement are not subject to the Intergovernmental Review of Federal Programs as governed by Executive Order 12372.

Public Health System Reporting Requirements

This program is not subject to the Public Health System Reporting Requirements.

Catalog of Federal Domestic Assistance Number

The Catalog of Federal Domestic Assistance number is 93.161.

Other Requirements

Paperwork Reduction Act

Projects that involve the collection of information from 10 or more individuals and funded by the cooperative agreement will be subject to review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act.

Human Subjects

The applicant must comply with the Department of Health and Human Services Regulations, 45 CFR Part 46, regarding the protection of human subjects. Assurances must be provided to demonstrate that the project will be subject to initial and continuing review by an appropriate institutional review committee. The applicant will be responsible for providing assurance in accordance with the appropriate guidelines and forms provided in the application kit.

Women, Racial and Ethnic Minorities

It is the policy of the CDC to ensure that individuals of both sexes and the various racial and ethnic groups will be included in CDC-supported research projects involving human subjects, whenever feasible and appropriate. Racial and ethnic groups are those defined in OMB Directive No. 15 and include American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, and Native Hawaiian or other Pacific Islander. Applicants shall ensure that women, racial and ethnic minority populations are appropriately represented in applications for research involving human subjects. Where clear and compelling rationale exists that inclusion is inappropriate or not reasonable, this situation must be explained as part of the application. This policy does not apply to research studies when the investigator cannot control the race, ethnicity and/or sex of subjects. Further guidance to this policy is contained in the **Federal Register**, Vol. 60, No. 179, Friday, September 15, 1995, pages 47947–47951 (a copy is included in the application kit).

Cost Recovery

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA), provides for the recovery of costs incurred for health-related activities at each Superfund site from potentially responsible parties. The recipient would agree to maintain an accounting system that will keep an accurate, complete, and current accounting of all financial transactions on a site-specific basis, i.e., individual time, travel, and associated costs including indirect cost, as appropriate for the site. The recipient will retain the documents and records to support these financial transactions, for possible use in a cost recovery case, for a minimum of ten (10) years after submission of a final financial status report, unless there is a litigation, claim, negotiation, audit, or other action involving the specific site; then the records will be maintained until resolution of all issues on the specific site. Note: Recipients of awards must maintain all records for 10 years following submission of the final Financial Status Report unless otherwise directed by the Cost Recovery Activity, OPOM, ATSDR, and must obtain written approval from the Cost Recovery Activity Official before destroying any records.

Third Party Agreements

Project activities which are approved for contracting pursuant to the prior approval provisions shall be formalized in a written agreement that clearly establishes the relationship between the grantee and the third party.

The written agreement shall at a minimum:

(A) State or incorporate by reference all applicable requirements imposed on the contractors under the grant by the terms of the grant, including requirements concerning peer review (ATSDR selected peer reviewers), ownership of data, and the arrangement for copyright when publications, data, or other copyrightable works are developed under or in the course of work under a PHS grant supported project or activity;

(B) State that any copyrighted or copyrightable works shall be subject to a royalty-fee, nonexclusive, and irrevocable license to the Government to reproduce, publish, or otherwise use them, and to authorize others to do so for Federal Government purposes;

(C) State that whenever any work subject to this copyright policy may be developed in the course of a grant by a contractor under grant, the written agreement (contract) must require the contractor to comply with these requirements and can in no way diminish the Government's right in that work; and

(D) State the activities to be performed, the time schedule for those activities, the policies and procedures to be followed in carrying out the agreement, and the maximum amount of money for which the grantee may become liable to the third party under the agreement.

The written agreement shall not relieve the grantee of any part of its responsibility or accountability to ATSDR under the grant. The agreement shall therefore retain sufficient rights and control to the grantee to enable it to fulfill this responsibility and accountability.

Application Submission and Deadline Dates

The original and two copies of the application PHS Form 5161–1 (OMB Number 0937–0189) must be submitted to Ron Van Duyne, Grants Management Officer, Attn: Patrick A. Smith, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE., Room 300, Mailstop E–13, Atlanta, Georgia, 30305 on or before July 31, 1998. (By formal agreement, the CDC Procurement and Grants Office will act for and on behalf of ATSDR on this matter.)

1. *Deadline:* Applications shall be considered as meeting the deadline if they are either:

a. Received on or before the deadline date, or

b. Sent on or before the deadline date and received in time for submission to the objective review group. (Applicants should request a legibly-dated U.S. Postal Service postmark or obtain a legibly-dated receipt from a commercial carrier or U.S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.)

2. *Late Applications:* Applications which do not meet the criteria in 1.a. or 1.b. above are considered late applications. Late applications will not be considered.

Where To Obtain Additional Information

To receive additional written information call 1–888–GRANTS4. You will be asked to leave your name, address, and phone number and will need to refer to ATSDR Announcement Number 98074. You will receive a complete program description, information on application procedures, and application forms. CDC will not send application kits by facsimile or express mail.

If you have questions after reviewing the contents of all the documents, business management technical assistance may be obtained from Patrick A. Smith, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE., Room 300, Mail Stop E–13, Atlanta, Georgia 30305, telephone (404) 842–6803, Internet: phs3@cdc.gov.

Programmatic technical assistance may be obtained from Dr. Heraline Hicks, Research Implementation Branch, or Michael Youson, Office of the Director, Division of Toxicology, Agency for Toxic Substances and Disease Registry, 1600 Clifton Road, NE., Mail Stop E–29, Atlanta, Georgia 30333 or by calling (404) 639–6306 or 6300, Internet:heh2@cdc.gov.

PLEASE REFER TO ANNOUNCEMENT NUMBER 98074 WHEN REQUESTING INFORMATION AND SUBMITTING AN APPLICATION.

Potential applicants may obtain a copy of Healthy People 2000 (Full Report, Stock No. 017–001–00474–0) or Healthy People 2000 (Summary Report, Stock No. 017–001–00473–1) referenced in the INTRODUCTION through the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402–9325 (Telephone 202–512–1800).

This and other CDC announcements are available through the CDC homepage on the Internet. The address for the CDC homepage is: http://www.cdc.gov.

Dated: June 3, 1998.

Georgi Jones,

Director, Office of Policy and External Affairs, Agency for Toxic Substances and Disease Registry.

[FR Doc. 98–15257 Filed 6–8–98; 8:45 am]

BILLING CODE 4163–70–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Toxic Substances and Disease Registry

[Program Announcement 98027]

Research Program for Exposure-Dose Reconstruction

Introduction

The Agency for Toxic Substances and Disease Registry (ATSDR) announces the availability of fiscal year (FY) 1998 funds for a continuation of a cooperative agreement research program for exposure-dose reconstruction. The purpose of the program is to reconstruct, estimate, predict, and evaluate exposures to widely varying contaminant concentrations, exposure frequencies, and exposure durations, with widely varying emission characteristics that can be found at National Priorities List (NPL) sites, Resource Conservation and Recovery Act (RCRA) facilities, and other sites or facilities where a hazardous substance has been released into the environment.

ATSDR is committed to achieving the health promotion and disease prevention objectives of Healthy People 2000, a national activity to reduce morbidity and mortality and improve the quality of life. This announcement is related to the priority area of Environmental Health. (For ordering a copy of Healthy People 2000, see the section Where to Obtain Additional Information.)

Authority

This program is authorized under section 104(i)(1)(E) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended by the Superfund Amendments and Reauthorization Act (SARA) of 1986 [42 U.S.C. 9604(i)(1)(E)] and section 3019 (b) (c) of the Resource Conservation and Recovery Act (RCRA), as amended (Hazardous and Solid Waste Amendments of 1984) [42 U.S.C. 6939a(b) and (c)].

Smoke-Free Workplace

ATSDR strongly encourages all grant and cooperative agreement recipients to provide a smoke-free workplace and promote the non-use of all tobacco products, and Public Law 103–227, the Pro Children Act of 1994, prohibits smoking in certain facilities that receive Federal funds in which education, library, day care, health care, and early childhood development services are provided to children.

Eligible Applicants

Eligible applicants are the official public health agencies of the States or their bona fide agents or instrumentalities. This includes the District of Columbia, American Samoa, the Commonwealth of Puerto Rico, the Virgin Islands, the Federated States of Micronesia, Guam, the Northern Mariana Islands, the Republic of the Marshall Islands, the Republic of Palau, and federally recognized Indian Tribal governments. State organizations, including State universities, State colleges, and State research institutions, must affirmatively establish that they meet their respective State's legislative definition of a State entity or political subdivision to be considered an eligible applicant.

Availability of Funds

Approximately $300,000 is available in FY 1998 to fund one award. It is expected that the award will begin on or about September 30, 1998, for a 12-month budget period and a project period of up to 5 years. The funding estimate may vary and is subject to change.

Continuation awards within the project period will be made on the basis of satisfactory progress and the availability of funds.

Use of Funds

Funds may be expended for reasonable program purposes, such as personnel, travel, supplies and services. Funds for contractual services may be requested. However, the awardee, as the direct and primary recipient of ATSDR cooperative agreement funds, must perform a substantive role in carrying out project activities and not merely serve as a conduit for an award to another party or provide funds to an ineligible party. If contractors are proposed, justification must be provided along with the following: (1) Name of contractor, (2) method of selection, (3) period of performance, (4) detailed budget, (5) justification for use of contractor, and (6) assurance of non-conflict of interest.

Equipment may be purchased with cooperative agreement funds. However, the equipment proposed should be appropriate and reasonable for the activity to be conducted. The applicant, as part of the application process, should provide: (1) a justification for the need to acquire the equipment, (2) the description of the equipment, (3) the intended use of the equipment, and (4) the advantages/disadvantages of purchase versus lease of the equipment (if applicable). Requests for equipment

purchases will be reviewed and approved only under the following conditions: (1) ATSDR retains the right to request return of all equipment purchased (in operable condition) with cooperative agreement funds at the conclusion of the project period, and (2) equipment purchased must be compatible with CDC/ATSDR hardware.

Background

CERCLA, as amended, and RCRA, as amended, authorize ATSDR to conduct activities to assess and mitigate the adverse human health effects of hazardous substances and to ensure the implementation of applied research programs to more accurately and credibly assess human health effects associated with hazardous substance exposure. One of the activities includes conducting public health assessments. The ATSDR public health assessment is an analysis and statement of the public health implications posed by a release of a hazardous substance. It is an evaluation of relevant environmental and health data and community concerns associated with a site where hazardous substances have been released, and identifies populations living or working on or near hazardous waste sites for which more extensive public health actions or studies are indicated.

A critical aspect of assessing human health effects associated with hazardous waste sites is the evaluation of past, current, and future human exposures to hazardous substances. In order to accurately and meaningfully evaluate such exposures, more sensitive, media specific, and integrated methods must be developed through a program of research coordinated across multiple relevant, intra-related environmental, geochemical, and biomedical disciplines.

Hazardous waste sites present a number of unique circumstances and problems for ATSDR's public health assessment process. Chief among these is the widespread occurrence of a number of hazardous chemicals and mixed hazardous chemical compounds. In addition, some of the more complex hazardous waste sites may contain multiple waste disposal areas within a single site. Thus, the health assessor may be confronted with the need to evaluate exposures to widely varying contaminant concentrations, exposure frequencies, exposure durations, with widely varying geochemical and toxicological characteristics. More novel, reliable, and expedient exposure-dose assessment methods must be developed in order to adequately address site-specific issues.

Purpose

The purpose of this project is to conduct research related to exposure-dose reconstruction associated with hazardous waste sites. This research will advance the development, evaluation, application, and maintenance of computational tools and decision support systems for estimating exposure-dose relations resulting from exposure to contaminated environmental media and hazardous substances.

Program Requirements

In conducting activities to achieve the purpose of this program, the recipient shall be responsible for conducting activities under A., below, and ATSDR will be responsible for conducting activities under B., below.

A. Recipient Activities

1. Identify, pursue, and enhance where appropriate, emerging technical advances in exposure-dose reconstruction to encompass reconstruction of exposure histories and determination of biologically effective doses. These advances should include (but not be limited to) assessment of methods such as: (a) environmental multi-media exposure (including such pathways as groundwater, surface water, air, soil, and biota), (b) assessment of exposure and dose through bioavailability, accumulation, and transformation, (c) delivery of past, current, or potential future exposure and related dose through water-distribution systems, (d) kinetic networks, (e) genetic algorithms, (f) dose reconstruction, and (g) spatial analysis techniques integrated with (a) through (f) above, as a means to bridge the gap between the release of hazardous substances into the environment, potential dose (exposure), and resulting health effects.

2. Reconstruct exposure and potential dose histories and determine potential for future exposure resulting from hazardous substances in the environment for populations in the environs around hazardous waste sites by use of methodology driven environmental assessment tools. These tools must include at a minimum numerical simulators such as: (a) Analytical Contaminant Transport System (ACTS); (b) Steady flow in Layered Aquifer Media and spatial analysis interface (SLAM–GIS); (c) Contaminant transport in Layered Aquifer Media and spatial analysis interface (CLAM–GIS); and (d) Water Network and Distribution System hydraulic and water-quality simulator and spatial analysis interface (WANDSS–GIS). These tools must be compatible with the desktop computing devices and operating systems currently in use by the agency and its exposure-dose reconstruction computational laboratory. The generalized description of the theory of these assessment tools can be found in the public domain literature.

3. Integrate uncertainty analysis techniques such as Monte Carlo simulation into environmental assessment simulator tools so that environmental exposures and health-based risk assessment analyses can be conducted. This combined deterministic-probabilistic computational tool must be developed to include a ''user-friendly'' interface and should not rely on third-party or proprietary software programs or licensing to accomplish this task.

4. Develop a ''user friendly'' decision support system that considers, but is not limited to, the following:

(a) Site characterization and exposure scenario data;

(b) Environmental-media fate and transport computations;

(c) Exposure-route analysis and computations;

(d) Chemical-compound intake and exposure-dose computations;

(e) Probability distributions and uncertainty analyses;

(f) Spatial analysis computations and a geographic information systems interface; and

(g) Access to the decision support system by means of desktop computational devices available throughout the agency and in its exposure-dose reconstruction computational laboratory.

5. Submit, as progress warrants, manuscripts to peer-reviewed scientific journals on the developments and methodology describing aspects of the research on exposure-dose reconstruction.

6. Prepare and conduct two workshops for agency personnel to transfer technology and methodology developed as part of the research program on exposure-dose reconstruction.

7. When the project is completed, provide a final report to the agency which includes the methodology describing the exposure-dose reconstruction process as applied to the public health assessment process.

B. ATSDR Activities

1. Assist in the development of plausible exposure-dose relations and criteria for the selection and use of

computational tools and define appropriate assumptions.

2. Provide recipient organization with a list of hazardous waste sites and environmental data from which they can choose to test and validate the acceptability of the environmental assessment simulator tools developed as part of the exposure-dose reconstruction research program.

3. Establish a dialogue with recipient organization to identify and pursue emerging disciplines related to advances in assessment of exposure to hazardous chemicals and/or mixed wastes typically associated with hazardous waste sites.

4. Provide technical assistance to recipient organization to extend the appropriate use of novel exposure characterization and dose relations protocols to hazard characterization and communication efforts.

5. Assist in communicating advances in the above areas to all relevant communities including State and local governments and the public.

Technical Reporting Requirements

1. Progress and Financial Reports

An original and two copies of an annual progress report and financial status report are required no later than 90 days after the end of the budget period. Final financial and performance reports are required no later than 90 days after the end of the project period. All reports should be submitted to Ron Van Duyne, Grants Management Officer, Grants Management Branch, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road NE., Mailstop E–13, Atlanta, GA 30305.

The progress report must include the following for the program, function, or activity involved: (1) a comparison of actual accomplishments to the goals established for the period; (2) the reasons for slippage if established goals are not met; and (3) other pertinent information.

2. Peer and Technical Reviews

A. CERCLA, as amended by SARA, Section 104(i)(13), and [42 U.S.C. 9604 (I)] requires all studies and results of research (other than public health assessments) that ATSDR carries out or funds in whole or in part will be peer reviewed by ATSDR. The ATSDR peer review process for final reports requires that:

1. Studies must be reported or adopted only after appropriate peer review.

2. Studies shall be peer reviewed within a period of 60 days to the maximum extent practical.

3. Studies shall be reviewed by no fewer than three or more than seven reviewers who (1) are selected by the Administrator, ATSDR; (2) are disinterested Scientific experts; (3) have a reputation for scientific objectivity; and (4) who lack institutional ties with any person involved in the conduct of the study or research under review.

B. ATSDR encourages the rapid reporting and interpretation of laboratory results and references back to individual participants. However, if summary tables or distribution of laboratory results are prepared using the study data, this is considered a preliminary finding and will require ATSDR technical and peer review *prior to release.*

C. When, in the opinion of the investigator(s), a public health concern exists requiring the release of summary study statistics prior to the completion of the study, the investigator must obtain concurrence from ATSDR prior to releasing the summary statistics. A request for ATSDR concurrence for the release of information must be documented in a letter to ATSDR and should outline the public health concern, and recommended response, and *the draft document proposed for release by the investigator.* ATSDR will provide a technical review and peer review within ten (10) working days to the maximum extent possible. *Summary statistics may be released only after peer review.* The release of summary statistics does not preclude the requirement for a final report.

D. By statute, the reporting of *preliminary studies* and *preliminary research* results to the public is not acceptable without prior review by ATSDR. This includes manuscripts prepared for publication, presentations at scientific meetings, and reporting of preliminary findings to the community or the media.

E. The final report for every study should include a detailed description of the problem, hypothesis, methods, results, conclusions, and recommendations that constitute a complete performance record of the study.

F. ATSDR is responsible for the technical and peer review of draft final reports of any study that it funds prior to the submission of the final report. This will allow for the recipient to incorporate all technical and peer review comments into the final report. Responses to all ATSDR required technical and peer review comments should be summarized in a letter to ATSDR. This letter should also include the investigator's response to each comment and a rationale for those responses. Based upon the comments of the technical and peer reviewers, modifications in the study report may result. The modified study report should accompany the letter to ATSDR.

G. ATSDR will make available assistance to investigators in formatting and copy editing draft final reports, should the investigator request this assistance. Editing will be conducted by ATSDR staff and an edited copy of the draft final report will be supplied to the investigator for review and concurrence. Editing will occur DURING the conduct of the peer review. It is requested that the report be furnished in WordPerfect 5.1 on a disk with the hard copy double-spaced, with clearly numbered pages, unbound and unstapled, and printed on one side only. All appendices, including maps and reproduced forms used in this study, should be furnished to ATSDR by the investigator.

H. Following the steps outlined above, a final report of all studies and results of research carried out or supported by ATSDR must be submitted to the Procurement and Grants Office with a copy furnished to ATSDR.

I. If assistance in printing the final report is needed, the Principal Investigator can submit a hard copy of the final report to the Procurement and Grants Office with a copy furnished to ATSDR.

Application Content

In a narrative form, the application should include a discussion of areas listed under ''Evaluation Criteria'' as they relate to the proposed program. Because these criteria serve as the basis for evaluating the application, omissions or incomplete information may affect the rating of the application. Although this program may not require in-kind or matching funds, the applicant should include any in-kind support in the formal application. For example, if the in-kind support includes personnel, the applicant should provide the qualifying experience of the personnel and clearly State the type of activity to be performed.

The application must include a 200 word or less abstract of the proposal. The application pages must be clearly numbered, and a complete index to the application and its appendices must be included. The original and each copy of the application must be submitted unstapled and unbound. All material must be typed single-spaced, with un-reduced type on 8½″ by 11″ paper, with at least 1″ margins, and printed on one side only.

Evaluation Criteria

Applications will be reviewed and evaluated according to the following criteria:

1. Scientific and Technical Review Criteria of Application

a. Proposed Program (45%)

The extent to which the applicant's proposal addresses: (1) The development and implementation of methods designed to characterize exposure-dose relations associated with hazardous waste sites (10%); (2) experience in methods of reconstruction of exposure histories through the identification and pursuit of technical advances such as environmental multi-media exposure, kinetic networks, genetic algorithms, uncertainty analysis, dose reconstruction, and spatial analysis techniques (10%); (3) the methods for reconstructing exposure and potential dose histories and determining future exposure resulting from hazardous substances released into the environment for populations around hazardous waste sites (20%); and (4) the proposed project schedule, including clearly established and obtainable project objectives for which progress toward attainment can and will be measured (5%).

b. Experience and Technical Ability (30%)

The extent to which the proposal has described: (1) the familiarity, qualifications, knowledge, and experience of the principal investigator in his/her ability to utilize and apply methodology driven environmental assessment tools to reconstruct exposure histories (10%); (2) the ability of the principal investigator to modify these tools in order to meet the program objective as described in the Purpose section of this announcement (10%); and (3) the demonstrated ability of the principal investigator to integrate the aforementioned computational tools into existing computational tools and platforms so as to develop, maintain, or enhance a decision support system in order to support ATSDR's public health assessment process (10%).

c. Program Personnel (10%)

The extent to which the proposal has described: (1) the qualifications, experience, and commitment of the principal investigator, and his/her ability to devote adequate time and effort to provide effective leadership (5%); and (2) the competence of associate investigators to accomplish the proposed study, their commitment, and the time they will devote to the project (5%).

d. Applicant Capability (15%)

Description of the adequacy and commitment of institutional resources to administer the program and the adequacy of the facilities as they impact on performance of the proposed project.

e. Program Budget (Not Scored)

The extent to which the budget is reasonable, clearly justified, and consistent with the intended use of cooperative agreement funds.

2. Continuation Awards Within the Project Period Will Be Made on the Basis of the Following Criteria

a. Satisfactory progress has been made in meeting project objectives;

b. Objectives for the new budget period are realistic, specific, and measurable;

c. Proposed changes in described long-term objectives, methods of operation, need for cooperative agreement support, and/or evaluation procedures will lead to achievement of project objectives; and

d. The budget request is clearly justified and consistent with the intended use of cooperative agreement funds.

Executive Order 12372 Review

The applications submitted under this Announcement are not subject to Intergovernmental Review of Federal Programs as governed by Executive Order 12372.

Public Health System Reporting Requirements

This program is not subject to the Public Health System Reporting Requirements.

Catalog of Federal Domestic Assistance Number

The Catalog of Federal Domestic Assistance number is 93.161.

Other Requirements

A. Paperwork Reduction Act

Projects that involve the collection of information from 10 or more individuals and funded by cooperative agreement will be subject to review by the Office of Management and Budget under the Paperwork Reduction Act.

B. Cost Recovery

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA), provides for the recovery of costs incurred for health-related activities at each Superfund site from potentially responsible parties. The recipient would agree to maintain an accounting system that will keep an accurate, complete, and current accounting of all financial transactions on a site-specific basis, i.e., individual time, travel, and associated costs including indirect cost, as appropriate for the site. The recipient will retain the documents and records to support these financial transactions, for possible use in a cost recovery case, for a minimum of ten (10) years after submission of a final financial status report, unless there is a litigation, claim, negotiation, audit, or other action involving the specific site; then the records will be maintained until resolution of all issues on the specific site.

Note: Recipients of awards must maintain all records for 10 years following submission of the final Financial Status Report unless otherwise directed by the Cost Recovery Activity, ATSDR, and must obtain written approval from the Cost Recovery Activity Official before destroying any records.

C. Third Party Agreements

Project activities which are approved for contracting pursuant to the prior approval provisions shall be formalized in a written agreement that clearly establishes the relationship between the grantee and the third party. The written agreement shall at a minimum:

1. State or incorporate by reference all applicable requirements imposed on the contractors under the grant by the terms of the grant, including requirements concerning peer review (ATSDR selected peer reviewers), ownership of data, and the arrangement for copyright when publications, data, or other copyrightable works are developed under or in the course of work under a PHS grant supported project or activity;

2. State that any copyrighted or copyrightable works shall be subject to a royalty-fee, nonexclusive, and irrevocable license to the Government to reproduce, publish, or otherwise use them, and to authorize others to do so for Federal Government purposes;

3. State that whenever any work subject to this copyright policy may be developed in the course of a grant by a contractor under grant, the written agreement (contract) must require the contractor to comply with these requirements and can in no way diminish the Government's right in that work; and

4. State the activities to be performed, the time schedule for those activities, the policies and procedures to be followed in carrying out the agreement, and the maximum amount of money for

which the grantee may become liable to the third party under the agreement.

The written agreement shall not relieve the grantee of any part of its responsibility or accountability to ATSDR under the cooperative agreement. The agreement shall therefore retain sufficient rights and control to the grantee to enable it to fulfill this responsibility and accountability.

Application Submission and Deadline Dates

The original and two copies of application PHS Form 5161–1 (OMB Number 0937–0189) must be submitted to Ron Van Duyne, Grants Management Officer, Attn: Patrick A. Smith, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE., Room 300, Mailstop E–13, Atlanta, Georgia 30305, on or before July 31, 1998. (By formal agreement, the CDC Procurement and Grants Office will act for and on behalf of ATSDR on this matter.)

1. *Deadline:* Applications shall be considered as meeting the deadline if they are either:

(a) Received on or before the deadline date, or

(b) Sent on or before the deadline date and received in time for submission to the objective review group.

(Applicants must request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier or U.S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.)

2. *Late Applications:* Applications which do not meet the criteria in 1.(a) or 1.(b) above are considered late applications. Late applications will not be considered and will be returned to the applicant.

Where To Obtain Additional Information

To receive additional written information, call 1–888–GRANTS4. You will be asked to leave your name, address, and phone number and will need to refer to ATSDR Announcement 98027. You will receive a complete program description, information on application procedures, and application forms. CDC will not send application kits by facsimile or express mail.

If you have questions after reviewing the contents of all the documents, business management technical assistance may be obtained from Patrick A. Smith, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE., Room 300, Mailstop E–13, Atlanta, Georgia 30305, (404) 842–6803, or INTERNET address phs3@cdc.gov.

Programmatic technical assistance may be obtained from Morris L. Maslia, P.E., Project Officer, Division of Health Assessment and Consultation, Agency for Toxic Substances and Disease Registry, 1600 Clifton Road, NE., Mailstop E–32, Atlanta, Georgia 30333, (404) 639–0674, or INTERNET address mfm4@cdc.gov.

PLEASE REFER TO ANNOUNCEMENT NUMBER 98027 WHEN REQUESTING INFORMATION AND SUBMITTING AN APPLICATION.

Potential applicants may obtain a copy of Healthy People 2000 (Full Report, Stock No. 017–001–00474–0) or Healthy People 2000 (Summary Report, Stock No. 017–001–00473–1) referenced in the Introduction through the Superintendent of Documents, Government Printing Office, Washington, DC 20402–9325, (telephone 202–783–3238).

This and other ATSDR and CDC announcements are available through the CDC homepage on the Internet. The address for the CDC homepage is: http://www.cdc.gov.

Dated: June 3, 1998.

Georgi Jones,

Director, Office of Policy and External Affairs, Agency for Toxic Substances and Disease Registry.

[FR Doc. 98–15258 Filed 6–8–98; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Toxic Substances and Disease Registry

[Program Announcement 98064]

Notice of Availability of Funds; Program To Build Capacity To Conduct Site-Specific Activities

A. Purpose

The Agency for Toxic Substances and Disease Registry (ATSDR) announces the availability of fiscal year (FY) 1998 funds for a cooperative agreement program, Program to Build Capacity to Conduct Site-Specific Activities. This program addresses the Healthy People 2000 priority areas of: Educational and Community Based Programs; Environmental Health; and Surveillance and Data Systems. This program will provide State health Departments the opportunity to conduct site-specific health activities to determine the public health impact of human exposure to hazardous substances at hazardous waste sites or releases. ATSDR considers a site as consisting of the actual boundaries of a release or facility along with the resident community and area impacted by the subject release or facility. Specifically, funds will be used to build capacity to conduct ''core'' site-specific activities including public health assessments, health consultations, exposure investigations, community involvement, and preventive health education. These activities may lead to more focused public health activities including environmental health interventions, psychological effects interventions, and risk communication. The purpose of the program funded under this cooperative agreement is to work toward the ultimate goal of reducing exposures to hazardous substances and mitigating potential adverse health effects from such exposures. This program is directed to public health agencies which have considerable need to continue to build capacity to address health issues related to hazardous substance releases into the environment within their jurisdictional boundary. The specific purpose of these activities is to assist public health agencies to build capacity, in coordination and cooperation with ATSDR, to conduct health related activities under the Comprehensive Environmental Response, Compensation, and Liabilities Act (CERCLA), and Resource Conservation and Recovery Act (RCRA). This includes conducting health consultations, public health assessments, and exposure investigations. These activities will also assist recipients to conduct community involvement activities, and to develop, disseminate, and evaluate site-specific preventive health education materials and other programs related to exposure to hazardous substances in the environment.

B. Eligible Applicants

Limited Competition

Assistance will be provided only to the health departments of States or their bona fide agents, including the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, federally recognized Indian tribal governments, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. In consultation with States, assistance may be provided to political subdivisions of States.

The 23 public health agencies currently funded under Program Announcement 607 are not eligible to apply under this announcement. Those public health agencies are: Alabama Department of Public Health; Arizona Department of Health Services; Arkansas Department of Health; California Department of Health Services; Connecticut Department of Public Health; Florida Department of Health & Rehabilitative Services; Iowa Department of Public Health; Illinois Department of Public Health; Indiana State Department of Health; Louisiana Department of Health and Human Services; Massachusetts Department of Public Health; Michigan Department of Community Health; Minnesota Department of Health; Missouri Department of Health; New York State Department of Health; New Hampshire Department of Health & Human Services; New Jersey Department of Health and Senior Services; Ohio Department of Health; Pennsylvania Department of Health; South Carolina Department of Health & Environmental Control; Texas Department of Health; Washington State Department of Health; and Wisconsin Department of Health & Family Services.

C. Availability of Funds

Approximately $400,000 will be available in FY 1998 to fund an estimated six awards. The average new award is expected to be $67,000, ranging from $40,000 to $90,000. It is expected that the awards will begin on or about September 29, 1998, and will be made for a 12-month budget period within a project period of up to three years. Funding estimates may change.

Continuation awards within an approved project period will be made on the basis of satisfactory progress as evidenced by required reports and the availability of funds.

Use of Funds

Funds may be expended for reasonable program purposes, such as personnel, travel, supplies and services. Funds for contractual services may be requested. However, the awardee, as the direct and primary recipient of ATSDR cooperative agreement funds, must perform a substantive role in carrying out project activities and not merely serve as a conduit for an award to another party or provide funds to an ineligible party. Applicant must justify the need to use a contractor. If contractors are proposed, the following must be provided: (1) name of contractor, (2) method of selection, (3) period of performance, (4) detailed budget, (5) justification for use of contractor, and (6) assurance of non-conflict of interest.

Equipment may be purchased with cooperative agreement funds. However, the equipment proposed should be appropriate and reasonable for the activity to be conducted. The applicant, as part of the application process, should provide: (1) a justification for the need to acquire the equipment, (2) the description of the equipment, (3) the intended use of the equipment, and (4) the advantages/disadvantages of purchase versus lease of the equipment (if applicable). Requests for equipment purchases will be reviewed and approved only under the following conditions: (1) ATSDR retains the right to request return of all equipment purchased (in operable condition) with cooperative agreement funds at the conclusion of the project period, and (2) equipment purchased must be compatible with ATSDR hardware. Computers purchased with ATSDR funds should be IBM compatible and adhere to the Centers for Disease Control and Prevention (CDC) and ATSDR hardware standards.

Recipient activities may not be conducted with funds from this cooperative agreement program at any Federal site where the State is a party to litigation at the site.

Funding Background

Public health agencies have the principal responsibility within their jurisdiction for the protection of public health through regulatory authority and the delivery of public health program services. Over the years, these agencies have developed expertise as a direct response to problems that they are charged with resolving, including health problems related to hazardous substances in the environment. Historically, there has been a long series of environmental health problems requiring the response and cooperation of State and Federal public health agencies. Environmental contamination can potentially threaten the health, not only of populations immediately impacted by hazardous waste sites, but of entire communities in cases where contaminants have significantly migrated or been released off site and become important sources of human exposure to hazardous substances.

Community involvement is an integral part of site activities. The goal of community involvement at sites is to foster partnerships with communities living near hazardous waste sites in the development, implementation, and evaluation of all site-specific public health activities.

Health education is integral to the overall site-specific public health agenda. Community members have expressed concern about the general lack of environmental health information available to them and have expressed a need for community health education. Additionally, State health departments and concerned residents living near hazardous waste sites have reported a need for continuing education programs to educate health care professionals about (1) the health effects of hazardous substances and (2) the management of cases of exposure.

Following are definitions or descriptions of the public health activities allowable under this cooperative agreement:

1. Public Health Assessment Activities—The evaluation of data and information on the release of hazardous substances into the environment in order to assess any current or future impact on public health, develop health advisories or other health recommendations, and identify studies or actions needed to evaluate and mitigate or prevent human health effects.

a. Petitioned Public Health Assessment—results from a request from a community member or other interested party who believes exposures to hazardous substances has occurred.

b. Public Health Advisory—a communication from ATSDR that a public health threat exists of such importance and magnitude that immediate action should be taken. Keeping the community informed and soliciting input is a vital part of the public health assessment process.

c. Health Consultation—a written or verbal response to a specific question or specific request for information from or via ATSDR staff or a request for information about health risks posed by a specific site, chemical release, or hazardous material and may lead to specific recommendations for public health actions.

2. Exposure Investigation—Gathering and analyzing site-specific information to determine if human populations have been exposed. Site-specific information may include exposure point environmental sampling, exposure dose-reconstruction, biological testing, and evaluation of existing health outcome data. Information from an exposure investigation is included in public health assessments, health consultations, and public health advisories.

3. Community Involvement—Site-specific community involvement is designed to develop partnerships with communities living near hazardous

waste sites in the development, implementation, and evaluation of site-specific activities, which may include needs assessment, site evaluation activities, participation in community meetings, and being available to the community to gather and address health concerns.

4. Site-Specific Health Education—Site-specific health education encompasses a program of education activities implemented in communities to enable them to prevent or mitigate the health impact of exposure to hazardous substances present at waste sites and releases. Prevention of exposure is the focus of community health education. It is designed to address health risks and assist the community in understanding, preventing, or mitigating the health effects of hazardous substances exposure. Prevention of health effects from exposure is the focus of health professions education. The core components of each site-specific education activity are: (a) definition of a target audience through a community needs assessment profile, (b) development, delivery, and evaluation of an educational message; and (c) evaluation of the impact of the public health actions undertaken in a site-specific community (assurance).

5. Technical Project Team—The Technical Project Team (TPT) is made up of representatives from the ATSDR Division of Health Assessment and Consultation (DHAC), ATSDR Division of Health Studies (DHS), ATSDR Division of Health Education and Promotion (DHEP), ATSDR Office of Regional Operations (ORO), and State and local counterparts. The TPT is responsible for assuring the planning, implementation, and evaluation of all public health actions for each site assigned to the team. The TPT meets to review data relative to the site and considers the following questions: is there or has there been a completed exposure pathway and, are humans at health risk?

Funding Preferences

Funding preference may be given to the State entities currently funded under ATSDR Program Announcements 415, ''Program for State Department and Public Health Agencies to Conduct Health Consultations and Public Health Assessment Activities'' and ATSDR Program Announcement 443, ''Environmental Health Education Activities for Health Professionals and Communities Concerned with Human Exposure to Hazardous Substances''.

D. Program Requirements

ATSDR will assist and work jointly with the recipient in conducting the activities of this cooperative agreement program. The application should be presented in a manner that demonstrates the applicant's ability to address the health issues in a collaborative manner with ATSDR.

Note: Recipient activities may not be conducted with funds from this cooperative agreement program at any Federal site where the State is a party to litigation at the site.

Recipient and ATSDR activities are listed below:

1. Recipient Activities

The recipient will have primary responsibilities as follows:

a. Public Health Assessments

Conduct Public Health Assessments, including petitions, National Priority List (NPL), Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) or other sites or facilities within the recipient's territorial boundary in accordance with the methodology provided in the ATSDR Public Health Assessment Guidance Manual, ATSDR's Review and Handling Procedures for Public Health Assessments, and other applicable guidance. The following activities are also considered integral in the public health assessment process:

1. Prepare addenda to update public health assessments.

2. Prepare Site Review and Updates (SRU) to evaluate current conditions and determine the need for further actions.

b. Health Consultations

Prepare a written or verbal response to a specific question or specific request for information about health risks posed by a specific site (including Site Accelerated Cleanup Model (SACM)), chemical release, or hazardous material. Health consultations may also be written as a follow-up to Public Health Assessments or SRUs. Consultations may include the evaluation of environmental data, community concerns, health outcome data, and demographic characterizations, and the conduct of community outreach and interaction activities and site work plans.

c. Exposure Investigations

Exposure Investigations may be conducted as part of a health assessment or health consultation response.

d. Community Involvement

Site-specific community involvement is designed to develop partnerships with communities living near hazardous waste sites in the development, implementation, and evaluation of site-specific activities, which may include needs assessment, site evaluation activities, participation in community meetings, and to provide opportunities within the community to address health concerns. The recipient should:

1. Develop a site-specific community involvement plan which, at a minimum, should include: (1) a needs assessment strategy, (2) an implementation strategy, and (3) an evaluation strategy.

2. Implement the community involvement plan and, where warranted based on the needs assessment, establish Community Assistance Panels.

e. Health Education

Site-specific health education encompasses a program of education activities implemented in communities to enable them to prevent or mitigate the health impact of exposure to hazardous substances present at waste sites and releases. Prevention of exposure is the focus of community health education. Prevention of health effects from exposure is the focus of health professions education. Based on the community needs assessment, a coordinated health education program to address the needs identified for each target audience should be developed. The recipient should:

1. Develop materials that are appropriate for the target audience considering such issues as literacy level, cultural values, and languages spoken.

2. Give priority to those sites where specific actions can be taken to reduce or prevent exposures or where a significant public health concern exists.

3. Materials and programs targeted to a community's health care providers should be designed to improve the knowledge and skill of health care professionals concerning the potential exposure to hazardous substances at the selected sites. Examples include programs and materials designed to enhance the ability of health care providers to communicate risk, counsel and advise community members including their patients, recognize and evaluate potential exposures, obtain appropriate consultation from environmental health experts when needed or diagnose and treat conditions that may arise from exposure to hazardous substances.

4. Implement the planned actions such as distributing materials, and conducting projects such as Grand

Rounds, short courses, seminars, poster display sessions, and public availability sessions.

f. Site-Specific Evaluation

As part of the work plan, develop a site-specific evaluation plan prior to conducting activities. The plan should contain a component for each activity undertaken at the site. Conduct evaluation of activities and projects and site-specific programs to determine if community needs have been met as well as intended purpose of the activities. Both process and impact/outcome measures should be included in the evaluation plan.

g. Program Evaluation

An evaluation of effectiveness of overall capacity building effort in addressing public health issues in communities living near hazardous waste sites will be conducted jointly by all participants. This evaluation will focus on outcome and impact measurements using a standard evaluation instrument. Both process and impact/outcome measures will be included in the evaluation.

2. Other Recipient Activities

a. Participate in Technical Project team (TPT) review and comply with established review and handling procedures for incorporating the results of recommendations into site evaluation activities.

b. Provide abstraction overview to ATSDR on each site for which site evaluation activities have been conducted for inclusion in the HAZDAT.

c. Workshops

1. Conduct and participate in local, State, and federal health and environmental workshops and community meetings to discuss and respond to questions concerning a particular site's impact on public health.

2. Participate in ATSDR-scheduled training classes or workshops to increase knowledge and skills in environmental public health.

d. Respond to ATSDR's requests concerning congressional inquiries/testimonies, program evaluation, or other information in carrying out the purpose of the project.

3. ATSDR Activities

ATSDR will have primary responsibilities as follows:

a. Public Health Assessments

Collaborate with and assist recipient in conducting Public Health Assessment activities on CERCLIS or other sites or facilities within the recipient's territorial boundary, which includes:

1. Collaborate and assist in preparing addenda to update public health assessments.

2. Collaborate and assist in preparing Site Review and Updates (SRU) to evaluate current conditions and determine the need for further actions.

b. Health Consultations

Collaborate and assist recipient in preparing a written or verbal response to a specific question or specific request for information about health risks posed by a specific site [including Site Accelerated Cleanup Model (SACM)], chemical release, or hazardous material.

c. Exposure Investigations

Collaborate and assist in conducting Exposure Investigations.

d. Community Involvement

1. Assist in developing effective methods to conduct needs assessments in communities living near hazardous waste sites and in defining goals and objectives.

2. Assist in development, implementation, and evaluation of the community involvement plan.

e. Site-Specific Health Education

1. Collaborate in developing and reviewing all educational materials to ensure scientific accuracy. Provide existing materials as requested. Collaborate in developing projects for specific target audiences.

2. Collaborate with the State in the implementation of programs and the distribution of materials.

f. Evaluation

ATSDR will lead the evaluation of each recipient's total program. This evaluation will focus on outcome and impact measurements using a standard evaluation instrument. In addition, ATSDR will conduct an evaluation of effectiveness of overall capacity building effort in addressing public health issues in communities living near hazardous waste sites. Both process and impact/outcome measures will be included in the evaluation.

4. Other ATSDR Activities

a. Initiate and conduct review by Technical Project Team.

b. Assist with abstraction overview for the database on each site for which site evaluation activities have been conducted.

c. Workshops

1. Assist recipient with participation in local, State, and Federal health and environmental workshops and community meetings to discuss and respond to questions concerning a particular site's impact on public health.

2. Initiate and conduct ATSDR-scheduled training classes or workshops to increase recipients knowledge and skills in environmental public health.

d. Assist recipient with requests concerning program evaluation, or congressional inquiries concerning the cooperative agreement that are received by ATSDR.

E. Application Content

Competing Applications

Use the information in the Program Requirements, Other Requirements, and Evaluation Criteria sections to develop the application content. Your application will be evaluated on the criteria listed, so it is important to follow them in laying out your program plan. The application must include a 200 word or less abstract of the proposal. The application pages must be clearly numbered, and a complete index to the application and its appendices must be included. The original and each copy of the application must be submitted unstapled and unbound.

The budget should include funds for selected cooperative agreement staff to attend the annual training meeting in Atlanta (five days).

F. Submission and Deadline

Application

Submit the original and two copies of PHS Form 5161–1 (OMB Number 0937–0189). Forms are in the application kit. On or before August 5, 1998, submit the application to: Patrick A. Smith, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Announcement 98064, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE., Mailstop E–13, Atlanta, Georgia 30305–2209.

If your application does not arrive in time for submission to the independent review group, it will not be considered in the current competition unless you can provide proof that you mailed it on or before the deadline (i.e., receipt from U.S. Postal Service or a commercial carrier; private metered postmarks are not acceptable).

G. Evaluation Criteria

Each application will be evaluated individually against the following criteria by an independent review group appointed by ATSDR. The proposed program will account for a total of 70 percent of the score from the evaluation criteria. Applications will be reviewed

and evaluated according to the following criteria:

a. Proposed Program—70 Percent

Applicant's ability to address the following:

1. Ability to respond to specific public health issues that occur as a result of actual or potential human exposure to a hazardous substance including methods to evaluate and analyze toxicological, community, and environmental health data; and to conduct and analyze data from exposure investigations.

2. Description of involvement with communities response to concern about a particular site's impact on public health. Ability to develop and provide preventive health education in a timely fashion in response to public health issues including appropriateness and thoroughness of the methods used to evaluate preventive health education, and the extent to which the evaluation plan includes measures of program outcome (i.e., effect of participant's knowledge, attitudes, skills, behaviors, exposure to hazardous substances).

b. Program Personnel—15 Percent

The extent to which the proposal has described or provided biographical data on the:

1. Manner in which an integrated team will be developed to address components of this program. A consistent team is vital to this effort. ATSDR recommends that the team consist of, at minimum, ½ to 1 FTE health assessors and ½ to 1 FTE health educators/community involvement specialists/medical officers for core activities.

2. Appropriate qualifications, experience, leadership ability, and percentage of time project director (or principle investigator) will commit to the project.

3. Appropriate qualifications, experience, and description of how staff will be utilized in relation to the activities to be performed to accomplish the work and their percentage of time to be spent on the project; CVs should be provided.

4. Ability of recipient to adhere to ''Third Party Agreements'' under ''Other Requirements'' of this announcement if contractors are proposed.

c. Capability—15 Percent

Description of the applicant's capability to carry out the proposed project and suitability of facilities and equipment available or to be purchased for the project.

d. Program Budget—(Not Scored)

The extent to which the budget relates directly to project activities, is clearly justified, and is consistent with intended use of funds. The budget should include funds for scientific staff to attend the annual training meeting in Atlanta (five days).

e. Continuation Awards

Continuation awards within the project period will be made on the basis of an annually negotiated work plan with ATSDR staff, and the following criteria:

1. Satisfactory progress has been made in meeting project objectives;

2. Objectives for the new budget period are realistic, specific, and measurable;

3. Proposed changes in described methods of operation, need for financial support, and/or evaluation procedures will lead to achievement of project objectives; and

4. The budget request is clearly justified and consistent with the intended use of cooperative agreement funds.

H. Other Requirements

Technical Reporting Requirements

Provide ATSDR with original plus two copies of:

1. Annual progress reports; the progress reports must report on progress toward addressing activities mutually agreed to by ATSDR and the recipient at the time of the annual budget discussion, as part of the annually negotiated work plan and should include the following for each program, function, or activity involved: (1) a comparison of actual accomplishments to the goals established for the period; (2) the reasons for slippage if established goals were not met; and (3) other pertinent information.

2. Financial status report, no more than 90 days after the end of the budget period; and

3. Final financial and performance reports, no more than 90 days after the end of the project period.

Send all reports to: Patrick A. Smith, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE., Mailstop E–13, Atlanta, GA 30305–2209.

Disclosure. Recipient is required to provide proof by way of citation to State code or regulation or other State pronouncement given the authority of law, that medical information obtained pursuant to the agreement, pertaining to an individual, and therefore considered confidential, will be protected from disclosure when the consent of the individual to release identifying information is not obtained.

The following additional requirements are applicable to this program. For a complete description of each, see Attachment I.

AR98–7—Executive Order 12372 Review
AR98–9—Paperwork Reduction Act Requirements
AR98–10—Smoke-Free Workplace Requirements
AR98–11—Healthy People 2000
AR98–17—Peer and Technical Reviews of Final Reports of Health Studies—ATSDR
AR98–18—Cost Recovery—ATSDR
AR98–19—Third Party Agreements—ATSDR

I. Authority and Catalog of Federal Domestic Assistance Number

This program is authorized under Sections 104(i), (1)(E), (4), (6), (7), (9), (14) and (15) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended by the Superfund Amendments and Reauthorization Act (SARA) of 1986 [42 U.S.C. 9604(i)(1) (E), (4), (6), (7), (9), (14) and (15)], and Section 3019 (b) and (c) of the Resource Conservation and Recovery Act (RCRA), as amended (Hazardous and Solid Waste Amendments of 1984) [42 U.S.C. 6939a (b) and (c)].

The Catalog of Federal Domestic Assistance numbers are 93.200, 93.201, 93.203.

J. Where To Obtain Additional Information

Please refer to Announcement Number 98064 when requesting information and submitting an application.

To receive additional written information and to request an application kit, call 1–888–GRANTS4 (1–888–472–6874). You will be asked to leave your name and address and will be instructed to identify the Announcement number of interest.

If you have questions after reviewing the contents of all of the documents, business management technical assistance may be obtained from: Patrick A. Smith, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE., Room 300, Mailstop E13, Atlanta, Georgia 30305, Telephone (404) 842–

6803, INTERNET address phs3@cdc.gov.

For programmatic technical assistance contact: Sharon Conley, Financial Acquisition Specialist, Office of Program Operations & Management (OPOM), Agency for Toxic Substances and Disease Registry (ATSDR), 1600 Clifton Road, NE., Mailstop E–60, Atlanta, Georgia 30333, Telephone (404) 639–0559, INTERNET address sac7@cdc.gov.

Also, the CDC home-page on the Internet: *http://www.cdc.gov* is available for copies of this Announcement and funding documents as well as application forms.

Dated: June 3, 1998.

Georgi Jones,

Director, Office of Policy and External Affairs, Agency for Toxic Substances and Disease Registry.

[FR Doc. 98–15256 Filed 6–8–98; 8:45 am]

BILLING CODE 4163–70–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Toxic Substances and Disease Registry

[ATSDR–135]

Availability of ATSDR Decision Document Regarding the Bunker Hill, Idaho, Medical Monitoring Program

AGENCY: Agency for Toxic Substances and Disease Registry (ATSDR), Department of Health and Human Services (HHS).

ACTION: Notice of availability for public review and comment of draft Decision Document Regarding the Bunker Hill, Idaho, Medical Monitoring Program.

SUMMARY: ATSDR has reviewed scientific literature and clinical information in order to assess the need for medical monitoring at Bunker Hill, Idaho. ATSDR has determined that there is a definable population at significantly increased risk of disease that will benefit from a medical monitoring program. ATSDR has judged that the medical monitoring program is appropriate to provide periodic medical evaluation and referrals to improve the public health status of the affected population. The current literature and expert panel workshop held by ATSDR reflect that medical monitoring at Bunker Hill would be good public health practice and of medical benefit to the affected populations. This notice is announcing the availability of the draft report documenting ATSDR's justification for implementing a medical monitoring program for the population at the Bunker Hill Site: the ''ATSDR Decision Document Regarding the Bunker Hill, Idaho, Medical Monitoring Program'', is available for public review and comment.

DATES: Comments must be received by July 9, 1998.

ADDRESSES: The report is available through Dr. Vivian Rush, MD, Medical Officer, ATSDR-Division of Health Education and Promotion, 1600 Clifton Road, NE., Mailstop E–33, Atlanta, Georgia 30333, E-mail address vcr1@cdc.gov and telephone (404) 639–5080.

FOR FURTHER INFORMATION CONTACT: Dr. Vivian Rush, Medical Officer, ATSDR; telephone (404) 639–5080.

SUPPLEMENTARY INFORMATION: Section 104 (i)(9) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended [42 U.S.C. 9604 (i)(9)], provides for the Administrator of ATSDR to initiate a health surveillance program for populations at a significant increased risk of adverse health effects as a result of exposure to hazardous substances released from a facility. A program ATSDR includes under health surveillance is referred to as ''Medical Monitoring or Screening'' and is defined, as published in the **Federal Register** on July 28, 1995 (60 FR 38840), in ''ATSDR's Final Criteria for Determining the Appropriateness of a Medical Monitoring Program under CERCLA'' as ''the periodic medical testing to screen people at significant increased risk for disease.'' There are 7 Medical Monitoring criteria associated with this program and they are as follows:

(1) There should be evidence of contaminant levels in environmental media that would suggest the high likelihood of environmental exposure to a hazardous substance and subsequent adverse health outcomes.

(2) There should be a well-defined, identifiable target population of concern in which exposure to a hazardous substance at a sufficient level has occurred.

(3) There should be documented human health research that demonstrates a scientific basis for a reasonable association between an exposure to a hazardous substance and a specific adverse health effect (such as an illness or change in a biological marker of effect).

(4) The monitoring should be directed at detecting adverse health effects that are consistent with the existing body of knowledge and amenable to prevention or intervention measures.

(5) The general requirements for a medical screening program should be satisfied. Those requirements are:

- The natural history of the disease process should be understood sufficiently for screening.
- The early detection through screening should be known to have an impact on the natural history of that disease process.
- There should be an accepted screening test that meets the requirements for validity, reliability, estimates of yield, sensitivity, specificity, and acceptable cost.

(6) An accepted treatment, intervention or both for the condition (outcome or marker of exposure) must exist and a referral system should be in place prior to the initiation of a medical monitoring program.

(7) The logistics of the system must be resolved before the program can be initiated.

Background

The 21-square-mile Bunker Hill Superfund site includes the Bunker Hill mining and smelting complexes and the communities of Pinehurst, Page, Smelterville, Kellogg and Wardner in Shoshone county, in Silver Valley of northern Idaho. Mining and mineral refining has been the dominant industry in the Silver Valley for more than 100 years. The mining and mineral refining activities have severely impacted the landscape, vegetation, and the quality of the air, and soils in the area. A population of workers and residents who have worked in and lived surrounding the former Bunker Hill lead and zinc smelting facility have been exposed to lead (and probably other heavy metals) in the past at levels of public health concern (i.e., at levels where health effects could be expected to occur). The most serious exposures took place during the 1970's after a baghouse fire resulted in large amounts of lead to be released into the air of towns surrounding the smelter. Epidemiologic studies have shown adverse health effects in the populations that were present during the past high exposure periods. Since the smelter's closure in 1981, the exposures have markedly decreased. In addition, the Panhandle Health District has implemented a program to detect excess exposure in the community and provides information and education on preventing harmful exposures and scientific literature supports these findings.

Dated: June 3, 1998.

Georgi Jones,

Director, Office of Policy and External Affairs, Agency for Toxic Substances and Disease Registry.

[FR Doc. 98–15255 Filed 6–8–98; 8:45 am]

BILLING CODE 4163–70–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30DAY–15–98]

Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) publishes a list of information collection requests under review by the Office of Management and Budget (OMB) in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35). To request a copy of these requests, call the CDC Reports Clearance Officer at (404) 639–7090. Send written comments to CDC, Desk Officer; Human Resources and Housing Branch, New Executive Office Building, Room 10235; Washington, DC 20503. Written comments should be received within 30 days of this notice.

Proposed Projects

1. *Prostate and Colorectal Cancer Screening in the Managed Care Environment—New—National Center for Chronic Disease Prevention and Health Promotion (NCCDPHP).* Prostate and colorectal cancer are among the leading causes of cancer deaths in the U.S. Prostate cancer screening has increased rapidly during the past few years; however, little is known about actual rates of screening, or the proportion of men screened who present with symptoms or who are at high risk for prostate cancer. Evidence suggests that colorectal cancer screening can save lives and efforts are under way to increase participation in screening. However, little information is available to monitor screening rates. It is also unknown how well self-reported prostate and colorectal cancer screening rates, which are often used in population surveys, compare to actual screening rates. Therefore, the Centers for Disease Control and Prevention (CDC), National Center for Chronic Disease Prevention and Health Promotion, Division of Cancer Prevention and Control, intends to conduct a survey of prostate and colorectal cancer screening test utilization. As an increasing number of people are served by managed care organizations where they may receive cancer screening tests, the proposed study population are members of managed care organizations.

A sample of members (men aged 40 years and older and women 50 years and older) of 3 managed care organizations will be interviewed over the telephone, and the medical charts of the participants will be abstracted. The information collected will include demographic information, prostate and colorectal cancer screening tests received within the past 5 years, and the reasons and outcomes of the tests. The total annual burden hours are 530.

Respondents	No. of respondents	No. of responses/respondent	Average burden of response (in hrs.)	Total burden (in hrs.)
Survey	2120	1	0.25	530

2. *Weekly and Annual Morbidity and Mortality Reports—(0920–0007)—Extension—Epidemiology Program Office*—In 1878, Congress authorized the U.S. Marine Hospital Service (later re-named the U.S. Public Health Service) to collect morbidity reports on cholera, smallpox, plague, and yellow fever from U.S. consuls overseas. This information was to be used for instituting quarantine measures to prevent the introduction and spread of these diseases in the United States. In 1879, a specific Congressional appropriation was made for the collection and publication of reports of these notifiable diseases. The authority for weekly reporting and publication was expanded by Congress in 1893 to include data from state and municipal authorities throughout the U.S. To increase the uniformity of the data, Congress enacted a law in 1902 directing the Surgeon General of the Public Health Service to provide forms for the collection and compilation of data and for the publication of reports at the national level.

In 1961, responsibility for the collection of data on nationally notifiable diseases and deaths in 121 U.S. cities was transferred from the National Office of Vital Statistics to CDC. For 37 years, the MMWR has consistently served as CDC's main communication mode for disease outbreaks and trends in health and health behavior. In collaboration with the Council of State and Territorial Epidemiologists (CSTE), CDC has demonstrated the efficiency and effectiveness of computer transmission of data.

The data collected electronically for publication in the MMWR provides information which CDC and State epidemiologists use to detail and more effectively interrupt outbreaks. Reporting also provides the timely information needed to measure and demonstrate the impact of changed immunization laws or a new therapeutic measure. Users of data include, but are not limited to, congressional offices, state and local health agencies, health care providers, and other health related groups.

The dissemination of public health information is accomplished through the MMWR series of publications. The publications consist of the MMWR, the CDC Surveillance Summaries, the Recommendations and Reports, and the Annual Summary of Notifiable Diseases. The total annual burden hours are 4,927.

A.12.—ESTIMATES OF ANNUALIZED BURDEN HOUR

Type of respondents	No. of respondents	No. of responses/respondent	Avg. burden/response (in hrs.)	Total burden (in hrs.)
Weekly Morbidity Report				
States	50	52	1	2600
Territories	5	52	1 @ 1 4 @ 0.5*	156
Cities	2	52	1	104
CDC 43.5 Weekly Mortality Report				
City Health Officers or Vital Statistics Registrars	122	52	0.2	1269
Annual Summary				
States	50	1	14	700
Territories	5	1	1 4	70
Cities	2	1	14	28

*Reports from respondents replying via FAX are more consolidated than those replying via NETSS. Attachment F is an example of a table routinely produced by a territorial health department. Since this table provides information needed for the weekly notifiable diseases report, a copy is sent by FAX to CDC.

3. *Surveillance of Hazardous Substances Emergency Event—(0923–0008)—Extension—the Agency for Toxic Substances and Disease Registry (ATSDR)* is mandated pursuant to the 1980 Comprehensive Environmental Response Compensation and Liability Act (CERCLA), and its 1986 Amendments, The Superfund Amendments and Reauthorization Act (SARA), to prevent or mitigate adverse human health effects and diminished quality of life resulting from the exposure to hazardous substances into the environment. The primary purpose of this activity, which ATSDR has supported since 1992, is to develop, implement, and maintain a state-based surveillance system for hazardous substances emergency events which can be used to (1) describe the distribution of the hazardous substance releases; (2) describe the public health consequences (morbidity, mortality, and evacuations) associated with the events; (3) identify risk factors associated with the public health consequences; and (4) propose strategies to reduce future public health consequences. The study population will consist of all hazardous substance nonpermitted acute releases within the 13 states (Alabama, Colorado, Iowa, Minnesota, Mississippi, Missouri, New York, North Carolina, Oregon, Rhode Island, Texas, Washington, Wisconsin) participating in the surveillance system.

Until this system was developed and implemented, there was no national public health-based surveillance system to coordinate the collation, analysis, and distribution of health data to public health practitioners. It was necessary to establish this national surveillance system which describes the impact of hazardous substances emergencies on the health of the population of the United States. The data collection form will be completed by the state health department HSEES coordinator using information provided by a variety of sources including environmental protection agencies, police, firefighters, emergency response personnel; or researched by the HSEES coordinator including census data, material safety data sheets, and chemical handbooks. The total annual burden hours are 4,316.

Respondents	No. of respondents	No. of responses/respondent	Avg burden/response (in hrs.)	Total burden (in hrs.)
First	13	332	1	4,316
Second	13	332	1	4,316
Third	13	332	1	4,316

Dated: June 2, 1998.

Charles W. Gollmar,

Acting Associate Director for Policy Planning and Evaluation, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–15123 Filed 6–8–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention and Agency for Toxic Substances and Disease Registry

Notice of Availability of Funds Program Announcement 99006; Public Health Conference Support Grant Program

A. Purpose

The Centers for Disease Control and Prevention (CDC) and the Agency for Toxic Substances and Disease Registry (ATSDR) announces the availability of fiscal year (FY) 1999 funds for the Public Health Conference Support Grant Program. This program addresses the ''Healthy People 2000'' priority area(s) for CDC and ATSDR, (1) Physical Activity and Fitness; (2) Nutrition; (3) Educational and Community-Based Programs; (4) Unintentional Injuries; (5) Violent and Abusive Behavior; (6) Occupational Safety and Health; (7) Environmental Health; (8) Oral Health; (9) Maternal and Infant Health; (10) Heart Disease and Stroke; (11) Cancer; (12) Diabetes and Chronic Disabling Conditions; (13) Sexually Transmitted Diseases; (14) Immunization and Infectious Disease; (15) Clinical Preventive Services; (16) Prevention Research in Program and Policy Development in Managed Care; (17) Surveillance and Data Systems;

Smoking and Health; Chronic Disease Prevention; Efforts that would strengthen the Public Health System; and Laboratory Practices.

ATSDR priority areas are; (1) health effects of hazardous substances in the environment; (2) disease and toxic substance exposure registries; (3) hazardous substance removal and remediation; (4) emergency response to toxic and environmental disasters; (5) risk communication; (6) environmental disease surveillance; and (7) investigation and research on hazardous substances in the environment.

CDC supports local, State, academic, national and international health efforts to prevent unnecessary disease, disability, and premature death, and to improve the quality of life. This support often takes the form of education, and the transfer of high quality research findings and public health strategies and practices through symposia, seminars and workshops. Through the support of conferences and meetings in the areas of public health research, education, and prevention application, CDC is meeting its overall goal of dissemination and implementation of new cost-effective intervention strategies.

ATSDR's systematic approaches are needed for linking applicable resources in public health with individuals and organizations involved in the practice of applying such research. Mechanisms are also needed to shorten the time frame between the development of disease prevention and health promotion techniques and their practical application. ATSDR believes that conferences and similar meetings that permit individuals engaged in hazardous substances and environmental health research, education, and application (related to actual and/or potential human exposure to toxic substances) to interact, are critical for the development and implementation of effective programs to prevent adverse health effects from hazardous substances.

The purpose of this program is to provide partial support for specific non-Federal conferences in the areas of health promotion, disease prevention, information, and education programs. Because conference support by CDC and ATSDR creates the appearance of CDC and ATSDR co-sponsorship, there will be active participation by CDC and ATSDR in the development and approval of those portions of the agenda supported by CDC and ATSDR funds. In addition, CDC and ATSDR will reserve the right to approve or reject the content of the full agenda, speaker selection, and site selection.

B. Eligible Applicants

Applications may be submitted to CDC by public and private non-profit and for-profit organizations and by governments and their agencies; that is, universities, colleges, research institutions, hospitals, other public and private nonprofit and for-profit organizations, State and local governments or their bona fide agents, and federally-recognized Indian tribal governments, Indian tribes, or Indian tribal organizations.

Note: Pub. L. 104–65 states that an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engages in lobbying activities is not eligible to receive Federal funds constituting an award, grant, cooperative agreement, contract, loan, or any other form.

ATSDR eligible applicants are the official public health agencies of the States, or their bona fide agents. This includes the District of Columbia, American Samoa, the Commonwealth of Puerto Rico, the Virgin Islands, the Federated States of Micronesia, Guam, the Northern Mariana Islands, the Republic of the Marshall Island, the Republic of Palau, and federally-recognized Indian tribal governments. State organizations, including State universities, State colleges, and State research institutions, must establish that they meet their respective State's legislature definition of a State entity or political subdivision to be considered an eligible applicant. Also eligible are nationally recognized associations of health professionals and other chartered organizations generally recognized as demonstrating a need for information to protect the public from the health effects of exposure to hazardous substances.

C. Availability of Funds

Approximately $500,000 is available from CDC in FY 1999 to fund approximately 25 to 30 awards. It is expected that the average award will be $15,000, ranging from $1,000 to $30,000. It is expected that the awards will begin on or about thirty days before the date of the conference and will be made for a 12-month budget period within a 12-month project period. Funding estimates may change.

Approximately $50,000 is available from ATSDR in FY 1999 to fund approximately six awards. It is expected that the average award will be $8,000, ranging from $5,000 to $10,000. It is expected that the awards will begin on or about thirty days before the date of the conference and will be made for a 12-month budget period within a 12-month project period. Funding estimates may change.

Use of Funds

- CDC and ATSDR funds may be used for direct costs: salaries; speaker fees; rental of necessary equipment; registration fees; and transportation costs (not to exceed economy class fare) for non-Federal individuals.
- CDC and ATSDR funds may be used for only those parts of the conference specifically supported by CDC or ATSDR as documented in the grant award.
- CDC and ATSDR funds may NOT be used for the purchase of equipment; payments of honoraria; alterations or renovations; organizational dues; entertainment or personal expenses; cost of travel and payment of a Federal employee; per diem or expenses other than local mileage for local participants.
- CDC and ATSDR funds may NOT be used for reimbursement of indirect costs.
- Although the practice of handing out novelty items at meetings is often employed in the private sector to provide participants with souvenirs, Federal funds CANNOT be used for this purpose.
- CDC and ATSDR will NOT fund 100% of any conference proposed under this announcement.
- CDC and ATSDR will NOT fund a conference after it has taken place.

D. Program Requirements

CDC and ATSDR grantees must meet the following requirements:

1. Manage all activities related to program content (e.g., objectives, topics, attendees, session design, workshops, special exhibits, speakers' fees, agenda composition, and printing). Many of these items may be developed in concert with assigned CDC or ATSDR project personnel.

2. Provide draft copies of the agenda and proposed ancillary activities to CDC or ATSDR for approval. Contingency awards will be made allowing usage of only 10 percent of the total amount to be awarded until a final full agenda is approved by CDC and ATSDR. The remainder of funds will be released only upon approval of the final full agenda. CDC and ATSDR reserves the right to terminate co-sponsorship at any time.

3. Determine and manage all promotional activities (e.g., title, logo, announcements, mailers, press, etc.). CDC or ATSDR must review and approve any materials with reference to CDC or ATSDR involvement or support.

4. Manage all registration processes with participants, invitees, and registrants (e.g., travel, reservations,

correspondence, conference materials and hand outs, badges, registration procedures, etc.).

5. Plan, negotiate, and manage conference site arrangements, including all audiovisual needs.

6. Analyze data from conference activities that pertain to the impact on prevention. Adequately assess increased knowledge, attitudes, and behaviors of the target attendees.

7. ATSDR grantees must collaborate with ATSDR staff in reporting and disseminating results and relevant prevention education and training information to appropriate Federal, State, and local agencies, and the general public.

E. Application Content

Letters of Intent

Potential applicants must submit an original and two copies of a one-page typewritten Letter of Intent (LOI) that briefly describes the title, location, purpose, and date of the proposed conference and the intended audience (number and profession). The LOI must also include the estimated total cost of the conference and the percentage of the total cost (which must be less than 100 percent) being requested from CDC or ATSDR. Requests for 100 percent funding will be considered non-responsive to this program announcement and returned to the applicant without review. Current recipients of CDC and ATSDR funding must provide the award number and title of their funded programs. No attachments, booklets, or other documents accompanying the LOI will be considered. LOI's will be reviewed by program staff for consistency with the following:

- CDC's mission to promote health and quality of life by preventing and controlling disease, injury and disability for healthy people in a healthy world, through prevention.
- ATSDR's mission to prevent exposure and adverse human health effects and diminished quality of life associated with exposure to hazardous substances from waste sites, unplanned releases, and other sources of pollution present in the environment.

Applications

Following submission of a LOI, ONLY those applicants who will be invited to submit an application will receive notification from the Grants Management Officer. Applications may be accepted by CDC and ATSDR only after the LOI has been reviewed by CDC and ATSDR and a written invitation from CDC and ATSDR has been received by the prospective applicant. An invitation to submit an application will be made on the basis of the proposed conference's relationship to the CDC and ATSDR funding priorities and the availability of funds.

An invitation to submit an application does not constitute a commitment on the part of CDC and ATSDR to fund the application. Applicants invited to apply must use application Form PHS 5161–1, and the following must be included:

1. TWO-PAGE OVERVIEW—The overview must include the following:

a. Title of conference—include the term ''conference,'' ''symposium,'' ''workshop,'' or similar designation to assist in the identification of the request;

b. Location of conference—city, state, and facility, if known;

c. Expected registration—target audience and number of persons expected to attend;

d. Date(s) of conference; and

e. Summary of conference objectives, format, and projected agenda, including a list of principal areas or topics to be addressed.

2. BRIEF BACKGROUND OF APPLICANT ORGANIZATION—Include the organizational history and purpose, and previous experience related to the proposed conference topic.

3. NARRATIVE—The narrative should cover the following:

a. A clear statement of the need for and purpose of the conference. This statement should also describe any problems the conference will address or seek to solve, and the action items or resolutions it may stimulate.

b. An elaboration on the conference objectives and target population. A proposed agenda must be included. A list should be included of the principal areas or topics to be addressed, including speakers/facilitator. In addition, information should be provided about all other national, regional, and local conferences held on the same or similar subject during the last three years (if known).

c. A clear description of the evaluation plan and how it will assess the accomplishments of the conference objectives.

d. An operational plan or step-by-step schedule of major conference planning activities necessary to attain specified objectives. This schedule will include target dates by which the activities will be accomplished.

e. A description of any support (e.g., monetary, staff) or co-sponsorship related to this conference. (It is necessary that organizations seeking these grant funds be able to show additional support in the form of finances, services, etc., because this program provides PARTIAL funding only.) For each organization contributing funding, a letter must be included documenting that support.

f. Any other information that will support this request for funds.

Note: Essential information requested in the Narrative should NOT be included as appendices to the application.

4. BIOGRAPHICAL SKETCHES—Biographical sketches are needed for the individuals responsible for planning and implementing the conference. Experience and training related to conference planning and implementation as it relates to the proposed topic should be noted.

5. LETTERS OF ENDORSEMENT OR RECOMMENDATIONS—Letters of endorsement or recommendations supporting the organization and its capability to perform the proposed conference activity.

6. BUDGET INFORMATION—A total conference budget that includes the share requested from CDC as well as those funds from other sources (including income from the conference), and a clearly justified budget narrative, consistent with the purpose, objectives, and operational plan of the conference.

F. Submission and Deadline

Letter of Intent (LOI)

ONE ORIGINAL AND TWO COPIES of the LOI must be postmarked by the following deadline dates in order to be considered in either of this announcements' two cycles. (FACSIMILES ARE NOT ACCEPTABLE.)

Letter Of Intent Due Dates:

Cycle A: October 5, 1998.

Cycle B: April 5, 1999.

Submit to: Karen E. Reeves, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Announcement Number 99006, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE., Mailstop E–09, Atlanta, Georgia 30305–2209

Application

Submit the original and two copies of PHS 5161–1 (OMB Number 0937–0189) form which is in the application kit on or before:

Application Due Dates: Earliest Possible Award Date:

CYCLE A: January 18, 1999, March 16, 1999.

CYCLE B: June 14, 1999, August 2, 1999.

Submit the application to: Karen E. Reeves, Grants Management Specialist, Grants Management Branch,

Procurement and Grants Office, Announcement Number 99006, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE., Mailstop E–09, Atlanta, Georgia 30305–2209.

Letters of Intent and Applications shall be considered as meeting the deadline if they are either:

1. Received on or before the deadline date, or

2. Postmarked on or before the deadline date and received in time for submission to the independent review group. (Applicants must request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier or the U.S. Postal Service. Private metered postmarks will NOT be acceptable as proof of timely mailing.)

3. Late applications that do not meet the criteria in F.1 and F.2. above are considered late applications and will be returned to the applicant without review.

G. Evaluation Criteria

CDC and ATSDR Public Health Conference Support Grant Program applications are each objectively reviewed utilizing the following evaluation criteria:

- Section 1.a., is ATSDR specific;
- Section 1.b., is CDC specific.

All other sections in these criteria are applicable to both CDC and ATSDR.

1. Proposed Program and Technical Approach (25 points).

a. The public health significance of the proposed conference including the degree to which the conference can be expected to influence the prevention of exposure and adverse human health effects and diminished quality of life associated with exposure to hazardous substances from waste sites, unplanned releases and other sources of pollution present in the environment. (Applicable to ATSDR applications only.)

b. The applicant's description of the proposed conference as it relates to specific non-Federal conferences in the areas of health promotion and disease prevention information/education programs (except HIV infection, mental health, and substance abuse), including the public health need of the proposed conference and the degree to which the conference can be expected to influence public health practices. Evaluation will be based also on the extent of the applicant's collaboration with other agencies serving the intended audience, including local health and education agencies concerned with health promotion and disease prevention. (Applicable to all CDC applications except ATSDR.)

c. The applicant's description of conference objectives in terms of quality and specificity and the feasibility of the conference based on the operational plan.

2. Applicant's Capability (10 points) Adequacy of applicants' resources (additional sources of funding, organization's strengths, staff time, proposed facilities, etc.) available for conducting conference activities.

3. The Qualification of Program Personnel (20 points) Evaluation will be based on the extent to which the application has described:

a. The qualifications, experience, and commitment of the principal staff person, and his/her ability to devote adequate time and effort to provide effective leadership.

b. The competence of associate staff persons, discussion leaders, speakers, and presenters to accomplish conference objectives.

c. The degree to which the applicant demonstrates the knowledge of nationwide and educational efforts currently underway which may affect, and be affected by, the proposed conference.

4. Conference Objectives (25 points).

1. The overall quality, reasonableness, feasibility, and logic of the designed conference objectives, including the overall work plan and timetable for accomplishment.

2. The likelihood of accomplishing conference objectives as they relate to disease prevention and health promotion goals, and the feasibility of the project in terms of the operational plan.

5. Evaluation Methods (20 points).

Evaluation mechanisms for the conference should adequately assess increased knowledge, attitudes, and behaviors of the target attendees.

6. Budget Justification and Adequacy of Facilities (not scored).

The proposed budget will be evaluated on the basis of its reasonableness; concise and clear justification; and consistency with the intended use of grant funds. The application will also be reviewed as to the adequacy of existing and proposed facilities and resources for conducting conference activities.

H. Other Requirements

Technical Reporting Requirements Provide the Grants Management Office with original plus two copies of:

1. A Performance report, or in lieu of a performance report, proceedings of the conference, no more that 90 days after the end of the budget/project period.

2. A financial status report, no more than 90 days after the end of the budget/project period.

Send all reports to: Karen E. Reeves, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE., Mailstop E–09, Atlanta, GA 30305–2209.

The following additional requirements are applicable to this program. For a complete description of each, see Attachment I.

I. Authority and Catalog of Federal Domestic Assistance Number

The CDC program is authorized under Section 301(a) of the Public Health Service Act [42 U.S.C. 241(a), as amended]. The Catalog of Federal Domestic Assistance number is 93.283. The ATSDR program is authorized under Sections 104(i) (14) and (15) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA), [42 U.S.C. 9604 (i) (14) and (15)]. The Catalog of Federal Domestic Assistance number is 93.161.

J. Where To Obtain Additional Information

To receive additional written information, call 1–888–GRANTS4 (1–888–472–6874). You will be asked to leave your name, address and phone number and refer to Announcement Number 99006. You will receive a complete program description. CDC/ATSDR will not send by facsimile or express mail. See also the CDC home page on the Internet: http://www.cdc.gov/od/pgo/forminfo.htm

For program technical assistance, contact: Bruce R. Granoff, Director, Extramural Services Activity, Public Health Practice Program Office (PHPPO), Centers for Disease Control and Prevention (CDC), 4770 Buford Highway, NE., Mailstop K–38, Atlanta, Georgia 30341–3714, Telephone (770) 488–2508, Email address brg1@cdc.gov.

Dated: June 3, 1998.

John L. Williams,

Director, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–15259 Filed 6–8–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

[Program Announcement No. ACF/ACYF/CB–98–04]

Fiscal Year (FY) 1998 Notice of an Announcement of the Availability of Financial Assistance and Request for Applications To Support Demonstration Projects Under the Adoption Opportunities Program

AGENCY: Administration on Children, Youth and Families, ACYF, ACF, DHHS.

ACTION: Notice of Fiscal Year (FY) 1998 availability of financial assistance and request for applications to support demonstration projects under the Adoption Opportunities Program, Title II of the Child Abuse Prevention and Treatment Act, as amended, Pub. L. 104–235.

SUMMARY: The Children's Bureau, within the Administration on Children, Youth and Families announces the availability of FY 1998 funds for competing new discretionary grants under the Adoption Opportunities Program. Adoption Opportunities Program funds are designed to provide services that facilitate the elimination of barriers to adoption and to provide permanent loving homes for children who would benefit from adoption, particularly children with special needs. Specific priority areas for which grant awards are being solicited include:

98.1—National Resource Center on Special Needs Adoption
98.2—Administration of the Interstate Compact on Adoption and Medical Assistance
98.3—Achieving Increased Adoptive Placements of Children in Foster Care
98.4—Effective Collaborations for Timely Adoptions
98.5—Overcoming State and Local Barriers to Adoption
98.6—Adoption 2002 Support Project
98.7—Post-Legal Adoption Services

DATES: The date and time deadline for RECEIPT of applications by DHHS for new grants under this announcement 4:30 p.m. (Eastern Time Zone) on July 24, 1998.

FOR FURTHER INFORMATION CONTACT: Copies of the program announcement will be automatically sent to all current Adoption Opportunities Program grantees, all organizations that applied for grant awards in FY 97 and all individuals and organizations that have asked to be placed on the mailing list for FY 1998. Copies of the program announcement can be obtained the ACYF Operations Center at 1–800–351–2293. A copy of this program announcement is also located at the CB website at http://www.acf.dhhs.gov/programs/CB under Policy and Funding Announcements.

SUPPLEMENTARY INFORMATION: Grant awards of FY 1998 funds will be made by September 30, 1998. The estimated funds available for new awards is $4.9 million and the approximate number of new grants is estimated at 28.

(*Catalog of Federal Domestic Assistance.* Number 93.652, Adoption Opportunities Grants)

Dated: June 3, 1998.

James A. Harrell,

Deputy Commissioner, Administration on Children, Youth and Families.

[FR Doc. 98–15284 Filed 6–8–98; 8:45 am]

BILLING CODE 4184–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 98N–0373]

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act of 1995 (the PRA), Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, and to allow 60 days for public comment in response to the notice. This notice solicits comments on FDA Recall Regulations under 21 CFR part 7. Recall guidelines set forth procedures to be used by manufacturers and distributors or other responsible persons in notifying or alerting health professionals or other persons of an unreasonable risk of substantial harm to the public's health and describe the procedures used or required by FDA in the recall process.

DATES: Submit written comments on the collection of information by August 10, 1998.

ADDRESSES: Submit written comments on the collection of information to the Dockets Management Branch (HFA–305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1–23, Rockville, MD 20857. All comments should be identified with the docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: JonnaLynn P. Capezzuto, Office of Information Resources Management (HFA–250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–4659.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501–3520), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. ''Collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3506(c)(2)(A)) requires Federal agencies to provide a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, FDA is publishing notice of the proposed collection of information listed below.

With respect to the following collection of information, FDA invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of FDA's functions, including whether the information will have practical utility; (2) the accuracy of FDA's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques, when appropriate, and other forms of information technology.

FDA Recall Regulations—Part 7 (21 CFR Part 7), Subpart C—(OMB Control Number 0910–0249—Extension)

These regulations were established to provide guidance to manufacturers on recall responsibilities. These responsibilities include development of a recall strategy; providing complete details of the recall reason, risk evaluation, quantity produced, distribution information, firm's recall

strategy and a contact official; notifying direct accounts of the recall and to provide recipients with a ready means of reporting to the recalling firm; provide periodic status reports so FDA can assess the progress of the recall. The recall provisions provide the information necessary for FDA to monitor recalls and assess the adequacy of a firm's efforts in a recall. It also permits FDA to evaluate whether a recall has been completed in a manner which assures that unreasonable risk of substantial harm to the public health has been eliminated. The guidelines apply to all regulated products (i.e., food, including animal feed; drugs, including animal drugs; medical devices, cosmetics; and biological products intended for human use.

FDA estimates the burden of this collection of information as follows:

TABLE 1.—ESTIMATED ANNUAL REPORTING BURDEN[1]

21 CFR Section	No. of Respondents	Annual Frequency per Response	Total Annual Responses	Hours per Response	Total Hours
7.42	1,712	4	6,848	1.8	12,326
7.46 and 7.49	1,712	4	6,848	4	27,392
7.53	1,712	4	6,848	36	246,528
7.55(b)	1,712	4	6,848	2	13,696
Total					299,942

[1]There are no capital costs or operating and maintenance costs associated with this collection of information.

Dated: June 3, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–15339 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 97N–0424]

Agency Information Collection Activities; Submission for OMB Review; Comment Request

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that the proposed collection of information listed below has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995 (the PRA).

DATES: Submit written comments on the collection of information by July 9, 1998.

ADDRESSES: Submit written comments on the collection of information to Office of Information and Regulatory Affairs, OMB, New Executive Office Bldg., 725 17th St. NW., rm. 10235, Washington, DC 20503, Attention: Desk Officer for FDA.

FOR FURTHER INFORMATION CONTACT: Karen L. Nelson, Office of Information Resources Management (HFA–250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–1482.

SUPPLEMENTARY INFORMATION: In compliance with section 3507 of the PRA (44 U.S.C. 3507), FDA has submitted the following proposed collection of information to OMB for review and clearance.

Transmittal of Advertisements and Promotional Labeling for Drugs and Biologics for Human Use (Form FDA 2253)

Under § 314.81(b)(3)(i) (21 CFR 314.81(b)(3)(i)), sponsors of approved applications for marketed prescription drugs and antibiotic drugs for human use are required to submit specimens of promotional labeling and advertisements at the time of initial dissemination of the labeling and at the time of initial publication of the advertisements. Each submission is required to be accompanied by a completed transmittal Form FDA 2253 (Transmittal of Advertisements and Promotional Labeling for Drugs for Human Use). Statutory authority for the collection of this information is provided by sections 505(a), (b), (j), and (k), 507(g), and 701(a) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 355(a), (b), (j), and (k), 357 (g), and 371(a)).

Similarly, under § 601.12(f)(4) (21 CFR 601.12(f)(4)) (62 FR 39890, July 24, 1997; effective October 7, 1997), manufacturers of licensed biological products are required to submit specimens of advertising and promotional labeling to FDA in accordance with § 314.81(b)(3)(i). Statutory authority for the collection of this information is provided by section 351 of the Public Health Service Act (42 U.S.C. 262), which gives FDA the responsibility to prescribe standards designed to ensure the safety, purity, potency, and effectiveness of biological products. In furtherance of this responsibility, FDA regulates advertising and labeling for biological products. Currently, specimens of advertising and promotional labeling are submitted to FDA with Form FDA 2567, a two-part transmittal form that is also used to transmit other forms of labeling (e.g., circulars, package labels, and container labels) for FDA review when a firm is requesting premarket approval of a product or proposing changes to product carton or container labeling.

FDA is revising Form FDA 2253 to enable it to be used to transmit specimens of promotional labeling and advertisements for biological products as well as for prescription drugs and antibiotics. The proposed revised form has the following major changes:

1. The revised, harmonized form will be used by sponsors of approved applications for marketed prescription drugs and antibiotic drugs regulated by the Center for Drug Evaluation and Research (CDER) who must submit specimens of advertisements and promotional labeling to the agency, and may be used by manufacturers of licensed biological products regulated by the Center for Biologics Evaluation and Research (CBER) who submit draft and/or final copies of promotional labeling and advertisements to the agency. Revising and harmonizing Form FDA 2253 will eliminate the need for sponsors to use two different forms to transmit similar materials for submission to the agency; however, manufacturers of biological products may continue to use Form FDA 2567 to transmit advertisements and promotional labeling if they wish. The other uses of Form FDA 2567 will remain unchanged.

2. The revised, harmonized form updates the information about the types

of promotional materials and the codes that are used to clarify the type of advertisement or labeling submitted; clarifies the intended audience for the advertisements or promotional labeling (e.g., consumers, professionals, news services); and helps ensure that the submission is complete.

3. Currently, when more than one prescription drug product is promoted in the promotional labeling or in an advertisement, sponsors submit specimens of the promotional labeling or advertisement to the approved application for each product promoted in the promotional labeling or advertisement. The revised form, provides for sponsors to submit specimens of multi-product promotional labeling and advertisements to only two files; to the approved product application most frequently promoted, and to a company name file. This multi-product submission should cross-reference the other approved applications. The agency anticipates that the proposed revised form and revised submission will save sponsors time and money by eliminating the need for making multiple submissions and for maintaining dual inventories of both forms and multiple processing capabilities.

Under Executive Order 12866, FDA published a notice in the **Federal Register** of October 24, 1997 (62 FR 55408 through 55409), that announced an opportunity for public comment on a proposed revision of Form FDA 2253. Based on the five responses to FDA's proposal to streamline the submission of promotional labeling and advertisements via Form FDA 2253, none of the respondents objected to the agency revising the form, and two respondents had very favorable comments regarding the initiative to revise the form and streamline the submission process for multiple product submissions.

One respondent stated that it was unclear whose burden had been measured for the estimate and stated that information about methodology and assumptions was insufficient for it to comment. The agency noted in the October 24, 1997, notice that its estimate was based on contacts with industry representatives. The agency's estimate of 2 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information, was obtained from an informal survey of current respondents who were asked how long it took them to prepare and submit data and materials intended to accompany Form FDA 2253. The comment did not provide an alternative estimate for the proposed burden hours. The agency's estimate, thus, will remain the same. No other comment provided an alternative estimate.

Several respondents commented on the physical layout of the form and suggested that some parts of the form be made larger or smaller. The agency agrees with some of these suggestions and will modify the layout of the form. In the section of the form that describes various submitted promotional items, some respondents suggested different descriptions for types of promotional materials (such as replace the proposed term ''profession journal ad'' with ''profession print advertisements''), and suggested combining various similar types of materials with the addition and deletion of specific promotional items. The agency agrees that the consolidation of material types will make the form easier to understand and plans to make these modifications.

Two respondents questioned whether it was necessary to identify the submission preparer, and whether it was necessary for the ''responsible official'' to actually sign the form. The agency agrees that it is not necessary to know who prepared the submission, because agency inquiries will be directed to the ''responsible official'' (contact person) either by telephone or by written correspondence. The agency considers that it would be helpful to have the ''responsible official'' sign the form to assure that the actual submission was seen or reviewed by the contact person.

One respondent commented on whether the revised Form FDA 2253 should accompany draft promotional materials intended for CBER for promoting a biologic. The respondent suggested that the revised form created an artificial distinction between drugs and biologics by requiring that draft biologic promotional materials submitted for voluntary preclearance continue to be accompanied by a form (now Form FDA 2253 in place of Form FDA 2567) because CDER does not use a form to accompany draft promotional materials. Thus, the respondent considered use of the form to be unnecessary for voluntary submissions.

CBER notes that some sponsors have submitted proposed promotional materials to CBER for comment without the Form FDA 2567, and that this has been, and continues to be, an acceptable method of submitting draft promotional materials. However, from past experience, CBER considers that the use of the Form FDA 2567 to accompany draft promotional materials makes tracking and followup of the materials more efficient and more timely. For example, the form provides a quick and efficient way of providing comments to sponsors without the need for a formal letter which would require more time. CBER also wants to emphasize that the option of using Form FDA 2253 or 2567 to accompany draft promotional materials to CBER does in no way mandate or obligate drug sponsors to use a form when submitting proposed promotional materials to CDER for comment.

Another respondent asked for clarification regarding the biologic license application (BLA) number referenced in number 3. The respondent stated that the form provided for the sponsor to identify the BLA number for biologics, but that the BLA number for the original application becomes obsolete upon approval. Later supplements are assigned new BLA numbers, and a sponsor can have multiple submissions under review at the same time, each with a different number. Therefore, the respondent requested clarification of which number would be appropriate to list in number 3. The agency agrees that further clarification of number 3 is required. We believe the least confusing and most efficient way to reference the BLA number would be for sponsors to include the ''most recent reference number'' for an application concerning a labeling change.

Four of the five respondents requested further explanation regarding the multiple submissions procedures. The agency will clearly explain the procedures regarding multiple submissions on the form, and how to submit multiple drug product promotional materials. Additionally, one respondent asked whether the ''company named file'' will be releasable under the Freedom of Information Act (FOIA). Currently, CDER's Division of Drug Marketing, Advertising, and Communications (DDMAC) maintains two types of files related to promotional materials. One file contains promotional materials submitted under the postmarketing requirements of § 314.81. These promotional materials have been submitted to the agency because they were already publicly disseminated. The agency would consider this information releasable under FOIA. The ''company named file'' for multiple submissions of Form FDA 2253-related materials would be this type of file. The other types of materials maintained by DDMAC are related to: (1) Advisory opinions (generally on proposed promotional materials) which are not

releasable, and (2) enforcement actions which are releasable.

Three respondents were not clear whether approved product labeling was still required to accompany promotional materials, and one respondent proposed an alternative method of submitting labeling. The agency presently requests that sponsors submit two copies of the approved product labeling for each referenced drug product. This has been clarified on the form. Alternative methods of submitting approved product labeling may be considered at a later time.

Three respondents proposed that the agency provide the revised Form FDA 2253 in electronic form, and accept some promotional materials via electronic means. The agency currently provides many forms on the Internet using the World Wide Web (WWW) at ''http://www.fda.gov/opacom/morechoices/fdaforms/fdaforms.html'' and intends to add the revised Form FDA 2253 shortly after it is an approved form. As for the submission of promotional materials by electronic means, DDMAC is currently reviewing a pilot project where proposed promotional materials are submitted for review via CD–ROM and in hard copy. If successful, DDMAC plans to continue the pilot project and refine the means of submitting promotional materials by electronic means.

FDA estimates the burden of this collection of information as follows:

TABLE 1.—ESTIMATED ANNUAL REPORTING BURDEN[1]

Form	No. of Respondents	Total Annual Responses	Hours per Response	Total Estimated Hours
FDA 2253	612	12,379	2	24,758

[1] There are no capital costs or operating and maintenance costs associated with this collection of information.

In fiscal year 1995, CDER received 10,879 submissions of advertising and promotional labeling under Form FDA 2253 from an estimated 512 manufacturers. In the same period of time, CBER received 1, 034 submissions from 57 manufacturers that could have made use of revised Form FDA 2253. Prior to October 7, 1997, the submission of advertising and promotional labeling to CBER using Form FDA 2567 was a voluntary procedure. Under § 601.12(f)(4) (62 FR 39890), manufacturers of licensed biological products are required to submit specimens of advertising and promotional labeling to FDA in accordance with § 314.81(b)(3)(i), FDA estimates that under the new regulation CBER will receive over 1,500 submissions from approximately 100 manufacturers that may use the revised Form FDA 2253. Thus, FDA estimates that there may be 12,379 submissions of advertising and promotional labeling to FDA under revised Form FDA 2253. Based on contacts with industry representatives, FDA estimates that 2 hours would be required for an industry regulatory affairs specialist to fill out the proposed form, collate the documentation, and send the submission to CDER or CBER. Manufacturers of biological products may use the revised Form FDA 2253 or may continue to use Form FDA 2567 for the submission of advertisements and promotional labeling to CBER.

Dated: June 2, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–15192 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 97N–0503]

Agency Information Collection Activities; Submission for OMB Review; Comment Request

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that the proposed collection of information listed below has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995 (the PRA).

DATES: Submit written comments on the collection of information by July 9, 1998.

ADDRESSES: Submit written comments on the collection of information to the Office of Information and Regulatory Affairs, OMB, New Executive Office Bldg., 725 17th St. NW., rm. 10235, Washington, DC 20503, Attention: Desk Officer for FDA.

FOR FURTHER INFORMATION CONTACT: Denver Presley, Office of Information Resources Management (HFA–250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–1472.

SUPPLEMENTARY INFORMATION: In compliance with section 3507 of the PRA (44 U.S.C. 3507), FDA has submitted the following proposed collection of information to OMB for review and clearance.

New Animal Drug Application (NADA), Form FDA 356 V, 21 CFR Part 514—(OMB Control Number 0910–0032—Reinstatement)

Under the Federal Food, Drug, and Cosmetic Act (the act), FDA has the responsibility for the approval of new animal drugs that are safe and effective. Section 512(b) of the act (21 U.S.C. 360b(b)), requires that a sponsor submit and receive approval of a NADA before interstate marketing is allowed. The regulations implementing statutory requirements for NADA approval have been codified under 21 CFR part 514. NADA applicants generally use a single form, FDA 356 V. The NADA must contain, among other things, safety and effectiveness data for the drug, labeling, a list of components, manufacturing and controls information, and complete information on any methods used to determine residues of drug chemicals in edible tissues. While the NADA is pending, an amended application may be submitted for proposed changes. After a NADA has been approved, a supplemental application must be submitted for certain proposed changes, including changes beyond the variations provided for in the NADA and other labeling changes. An amended application and a supplemental application may omit statements concerning which no change is proposed. This information is reviewed by FDA scientific personnel to ensure that the intended use of an animal drug, whether as a pharmaceutical dosage form, in drinking water, or in medicated feed is safe and effective. The respondents are pharmaceutical firms that produce veterinary products and commercial feed mills.

FDA estimates the burden for this collection of information as follows:

TABLE 1.—ESTIMATED ANNUAL REPORTING BURDEN[1]

Form No.	21 CFR Section	No. of Respondents	Annual Frequency per Response	Total Annual Responses	Hours per Response	Total Hours
Form FDA 356 V	514.1 and 514.6	190	6.76	1,824	211.6	271,694
	514.8 and 514.9				30	8,520
	514.11				1	1,824
Total burden hours						282,038

[1]There are no capital costs or operating and maintenance costs associated with this collection of information.

The estimate of the burden hours required for reporting are based on fiscal year 1996 data. The burden estimate includes original NADA's, supplemental NADA's, and amendments to unapproved applications.

Dated: June 2, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–15271 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

Request for Nominations for Members on Public Advisory Committees; Veterinary Medicine Advisory Committee

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is requesting nominations for members to serve on the Veterinary Medicine Advisory Committee (the Committee) in FDA's Center for Veterinary Medicine.

FDA has a special interest in ensuring that women, minority groups, and the physically challenged are adequately represented on advisory committees and, therefore, extends particular encouragement to nominations for appropriately qualified candidates from these groups.

DATES: No cutoff date is established for receipt of nominations.

ADDRESSES: All nominations for membership should be submitted to Jacquelyn L. Pace (address below).

FOR FURTHER INFORMATION CONTACT: Jacquelyn L. Pace, Center for Veterinary Medicine (HFV–200), Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855, 301–827–6650.

SUPPLEMENTARY INFORMATION: FDA is requesting nominations for members to serve on the Committee. The function of the Committee is to review and evaluate available data concerning safety and effectiveness of marketed and investigational new animal drugs, feeds, and devices for use in the treatment and prevention of animal disease and increased animal production.

Criteria for Members

Persons nominated for membership on the Committee shall have adequately diversified experience that is appropriate to the work of the Committee in such fields as companion animal medicine, food animal medicine, avian medicine, microbiology, biometrics, toxicology, pathology, pharmacology, animal science, public health/epidemiology, minor species/minor use veterinary medicine, and chemistry. The specialized training and experience necessary to qualify the nominee as an expert suitable for appointment is subject to review, but may include experience in medical practice, teaching, and/or research relevant to the field of activity of the Committee. The term of office is 4 years.

As of November 1, 1998, the Committee will have three vacancies in the areas of animal science, veterinary toxicology, and veterinary microbiology. However, membership nominations are not limited to these three areas.

Nomination Procedures

Any interested person may nominate one or more qualified persons for membership on the Committee. Nominations shall state that the nominee is willing to serve as a member of the Committee and appears to have no conflict of interest that would preclude committee membership. A current copy of the nominee's curriculum vitae should be included. Potential candidates will be asked by FDA to provide detailed information concerning such matters as employment, financial holdings, consultancies, and research grants or contracts in order to permit evaluation of possible sources of conflict of interest.

This notice is issued under the Federal Advisory Committee Act (5 U.S.C. app. 2) and 21 CFR part 14, relating to advisory committees.

Dated: May 29, 1998.

Michael A. Friedman,

Deputy Commissioner for Operations.

[FR Doc. 98–15195 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 98D–0374]

International Conference on Harmonisation; Draft Guidance on Specifications: Test Procedures and Acceptance Criteria for Biotechnological/Biological Products

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is publishing a draft guidance entitled ''Q6B Specifications: Test Procedures and Acceptance Criteria for Biotechnological/Biological Products.'' The draft guidance was prepared under the auspices of the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH). The draft guidance provides guidance on general principles for the selection of test procedures and the setting and justification of acceptance criteria for biotechnological and biological products. The draft guidance is intended to assist in the establishment of a uniform set of international specifications for biotechnological and biological products to support new marketing applications.

DATES: Written comments by July 24, 1998.

ADDRESSES: Submit written comments on the draft guidance to the Dockets Management Branch (HFA–305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1–23, Rockville, MD 20857. Copies of the draft guidance are available from the Drug Information Branch (HFD–210), Center for Drug

Evaluation and Research, Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–4573. Single copies of the guidance may be obtained by mail from the Office of Communication, Training and Manufacturers Assistance (HFM–40), Center for Biologics Evaluation and Research (CBER), or by calling the CBER Voice Information System at 1–800–835–4709 or 301–827–1800. Copies may be obtained from CBER's FAX Information System at 1–888–CBER–FAX or 301–827–3844.

FOR FURTHER INFORMATION CONTACT:

Regarding the guidance: Neil D. Goldman, Center for Biologics Evaluation and Research (HFM–20), Food and Drug Administration, 1401 Rockville Pike, Rockville, MD 20852, 301–827–0377.

Regarding the ICH: Janet J. Showalter, Office of Health Affairs (HFY–20), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–0864.

SUPPLEMENTARY INFORMATION: In recent years, many important initiatives have been undertaken by regulatory authorities and industry associations to promote international harmonization of regulatory requirements. FDA has participated in many meetings designed to enhance harmonization and is committed to seeking scientifically based harmonized technical procedures for pharmaceutical development. One of the goals of harmonization is to identify and then reduce differences in technical requirements for drug development among regulatory agencies.

ICH was organized to provide an opportunity for tripartite harmonization initiatives to be developed with input from both regulatory and industry representatives. FDA also seeks input from consumer representatives and others. ICH is concerned with harmonization of technical requirements for the registration of pharmaceutical products among three regions: The European Union, Japan, and the United States. The six ICH sponsors are the European Commission, the European Federation of Pharmaceutical Industries Associations, the Japanese Ministry of Health and Welfare, the Japanese Pharmaceutical Manufacturers Association, the Centers for Drug Evaluation and Research and Biologics Evaluation and Research, FDA, and the Pharmaceutical Research and Manufacturers of America. The ICH Secretariat, which coordinates the preparation of documentation, is provided by the International Federation of Pharmaceutical Manufacturers Associations (IFPMA).

The ICH Steering Committee includes representatives from each of the ICH sponsors and the IFPMA, as well as observers from the World Health Organization, the Canadian Health Protection Branch, and the European Free Trade Area.

In February 1998, the ICH Steering Committee agreed that a draft guidance entitled ''Q6B Specifications: Test Procedures and Acceptance Criteria for Biotechnological/Biological Products'' should be made available for public comment. The draft guidance is the product of the Quality Expert Working Group of the ICH. Comments about this draft will be considered by FDA and the Quality Expert Working Group.

The draft guidance provides guidance on general principles for the selection of test procedures and the setting and justification of acceptance criteria for biotechnological and biological products. The draft guidance is intended to assist in the establishment of a uniform set of international specifications for biotechnological and biological products to support new marketing applications.

This draft guidance represents the agency's current thinking on the selection of test procedures and the setting and justification of acceptance criteria for biotechnological/biological products. It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. An alternative approach may be used if such approach satisfies the requirements of the applicable statute, regulations, or both.

Interested persons may, on or before July 24, 1998, submit to the Dockets Management Branch (address above) written comments on the draft guidance. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. The draft guidance and received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday. An electronic version of this draft guidance is available on the Internet at ''http://www.fda.gov/cder/guidance/index.htm'' or at CBER's World Wide Web site at ''http://www.fda.gov/cber/publications.htm''.

The text of the draft guidance follows:

Q6B Specifications: Test Procedures and Acceptance Criteria for Biotechnological/Biological Products [1]

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1.0 Introduction

A specification is defined as a list of tests, references to analytical procedures, and appropriate acceptance criteria with numerical limits, ranges, or other criteria for the tests described. It establishes the set of criteria to which a drug substance, drug product, or materials at other stages of their manufacture should conform to be considered acceptable for their intended use.

[1] This draft guidance represents the agency's current thinking on the selection of test procedures and the setting and justification of acceptance criteria for biotechnological/biological products. It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. An alternative approach may be used if such approach satisfies the requirements of the applicable statute, regulations, or both.

''Conformance to specification'' means that the drug substance and drug product, when tested according to the listed analytical procedures, will meet the listed acceptance criteria. Specifications are binding quality standards that are proposed and justified by the manufacturer, and approved by regulatory authorities.

Specifications are one part of a total control strategy designed to ensure product quality and consistency. Other parts of this strategy include thorough product characterization during development, upon which many of the specifications are based, a validated manufacturing process, raw materials testing, in-process testing, stability testing, etc.

Specifications are chosen to confirm the quality of the drug substance and drug product rather than to establish full characterization and should focus on those molecular and biological characteristics found to be useful in ensuring the safety and efficacy of the product.

1.1 Objective

This guidance document provides guidance on general principles for the setting and justification, to the extent possible, of a uniform set of international specifications for biotechnological/biological products to support new marketing applications.

1.2 Scope

The principles adopted and explained in this document apply to proteins and polypeptides, their derivatives, and products of which they are components (e.g., conjugates). These proteins and polypeptides are produced from recombinant or nonrecombinant cell-culture expression systems and can be highly purified and characterized using an appropriate set of analytical procedures.

The principles outlined in this document may also apply to other product types, such as proteins and polypeptides isolated from tissues and body fluids. To determine applicability, manufacturers should consult with the appropriate regulatory authorities.

This document does not cover antibiotics, synthetic peptides/polypeptides, heparins, vitamins, cell metabolites, DNA products, allergenic extracts, conventional vaccines, cells, whole blood, and cellular blood components.

This document does not recommend specific test procedures or acceptance criteria that should be established for the proposed value, nor does it apply to the regulation of preclinical and/or clinical research material.

2.0 General Principles for Consideration in Setting Specifications

2.1 Characterization

Characterization of a biotechnological/biological product (which includes the determination of physicochemical properties, biological activity, immunochemical properties, purity, and impurities) is necessary to allow relevant specifications to be established. Acceptance criteria should be established and justified based on data obtained from lots used in preclinical/clinical studies, data from lots used for demonstration of manufacturing consistency, and relevant development data, such as those arising from analytical procedures and stability studies.

Extensive characterization usually is performed only in the development phase and, where necessary, following significant process changes. At the time of submission, the product should have been compared with an appropriate reference standard, if available. When feasible and relevant, it should be compared with its natural counterpart. Also, at the time of submission, the manufacturer should have established appropriately characterized in-house reference materials (primary and working) which will serve for biological assay and physicochemical testing of production lots.

2.1.1 Physicochemical properties

A physicochemical characterization program will generally include a determination of the composition, physical properties, and primary structure of the desired product. In some cases, information regarding higher-order structure of the desired product (the fidelity of which is generally inferred by its biological activity) may be obtained by appropriate physicochemical methodologies.

An inherent degree of structural heterogeneity occurs in proteins due to the biosynthetic processes used by living organisms to produce them; therefore, the desired product can be a mixture of anticipated post-translationally modified forms (e.g., glycoforms). These forms may be active and their presence has no deleterious effect on the safety and efficacy of the product (section 2.1.4). The manufacturer should define the pattern of heterogeneity of the desired product and demonstrate consistency with that of the lots used in preclinical/clinical studies. If a consistent pattern of product heterogeneity is demonstrated, an evaluation of the activity, efficacy, and safety (including immunogenicity) of individual forms may not be necessary.

Heterogeneity can also be produced during manufacture and/or during storage of the drug substance or drug product. Since the heterogeneity of these products defines their quality, the degree and profile of this heterogeneity should be characterized to ensure lot-to-lot consistency. When these variants of the desired product have properties comparable to those of the desired product with respect to activity, efficacy, and safety, they are considered product-related substances. When process changes and degradation products result in heterogeneity patterns that differ from those observed in the material used during preclinical and clinical development, the significance of these alterations should be evaluated.

Analytical methods to elucidate physicochemical properties are listed in appendix 6.1. New analytical technology and modifications to existing technology are continually being developed. Such technologies should be utilized when appropriate.

For the purpose of lot release (section 4), an appropriate subset of these methods should be selected and justified.

2.1.2 Biological activity

Assessment of the biological properties constitutes an equally essential step in establishing a complete characterization profile. An important property is the biological activity which describes the specific ability or capacity of a product to achieve its intended biological effect.

A valid biological assay to measure the biological activity should be provided by the manufacturer. Examples of procedures used to measure biological activity include:

- Animal-based biological assays, which measure an organism's biological response to the product;
- Cell culture-based biological assays, which measure biochemical or physiological response at the cellular level; and
- Biochemical assays, which measure biological activities such as enzymatic reaction rates or biological responses induced by immunological interactions.

Other procedures, such as ligand/receptor binding assays, may be acceptable.

Potency (expressed in units) is the quantitative measure of biological activity based on the attribute of the product that is linked to the relevant biological properties, whereas quantity (expressed in mass) is a physicochemical measure of protein content. Although mimicking the biological activity in the clinical situation is not necessary, a correlation between the expected clinical response and the activity in the biological assay should be established.

The results of biological assays should be expressed in units of activity calibrated against an international or national reference standard, when available and appropriate for the assay utilized. Where no such reference standard exists, a characterized ''in-house'' reference material should be established and assay results of production lots reported as ''in-house'' units.

Often, for complex molecules, the physicochemical information may be extensive but unable to confirm the higher order structure which, however, can be inferred from the biological activity. In such cases, a biological assay, with wider confidence limits, may be acceptable when combined with a specific quantitative measure. Importantly, a biological assay to measure the biological activity of the product may be replaced by physicochemical tests only in those instances where:

- Sufficient physicochemical information about the drug, including higher order structure, can be thoroughly established by such physicochemical methods, and relevant correlates to biologic activity demonstrated; and
- There exists a well-established manufacturing history.

Where physicochemical tests alone are used to quantitate the biological activity (based on appropriate correlation), results should be expressed in mass.

For the purpose of lot release (section 4), the choice of relevant quantitative assay (biological and/or physicochemical) should be justified by the manufacturer.

2.1.3 Immunochemical properties

When an antibody is the desired product, its immunological properties should be fully

characterized. Binding assays of the antibody to purified antigens and defined regions of antigens should be performed, as feasible, to determine affinity, avidity, and immunoreactivity (including cross-reactivity). In addition, the target molecule bearing the relevant epitope should be biochemically defined and the epitope itself defined, when feasible.

For some drug substances/drug products, the protein molecule may need to be examined using immunochemical procedures (e.g., ELISA, Western Blot) utilizing antibodies that recognize different epitopes of the protein molecule. Immunochemical properties of a protein may serve to establish its identity, homogeneity, or purity, or serve to quantify it.

If immunochemical properties constitute lot release criteria, all relevant information pertaining to the antibody should be made available.

2.1.4 Purity, impurities, and contaminants

- *Purity*

The determination of absolute, as well as relative, purity presents considerable analytical challenges, and the results are highly method-dependent. Historically, the relative purity of a biological product has been expressed in terms of specific activity (units of biological activity per milligram of product), which is also highly method-dependent. Consequently, the purity of the drug substance and drug product is assessed by a combination of analytical procedures.

Due to the unique biosynthetic production process and molecular characteristics of biotechnological/biological products, the drug substance can include several molecular entities or variants. When these molecular entities are derived from anticipated post-translational modification, they are part of the desired product. When variants of the desired product are formed during the manufacturing process and have properties comparable to the desired product, they are considered product-related substances and not impurities (see section 2.1.1).

Individual and/or collective acceptance criteria for product-related substances should be set, as appropriate.

For the purpose of lot release (section 4), an appropriate subset of methods should be selected and justified for determination of purity.

- *Impurities*

In addition to evaluating the purity of the drug substance/drug product, which may be composed of the desired product and multiple product-related substances, the manufacturer should also assess impurities which may be present. Impurities may be either process- or product-related. They can be of known structure, partially characterized, or unidentified. When adequate quantities of impurities can be isolated, the identity of these materials should be determined as a minimum requirement and, where possible, their biological activities should be evaluated.

Process-related impurities encompass those that are derived from the manufacturing process, i.e., derived from the culture (e.g., inducers, antibiotics, or media components) or from downstream processing (see appendix section 6.2.1). Product-related impurities (e.g., certain degradation products) are molecular variants arising from processing or during storage, which do not have properties comparable to those of the desired product with respect to activity, efficacy, and safety.

Further, the acceptance criteria for impurities should be based on data obtained for lots used in preclinical and clinical studies and manufacturing consistency lots.

Individual and/or collective acceptance criteria for impurities (product-related and process-related) should be set, as appropriate. Under certain circumstances, acceptance criteria for selected impurities may not be necessary (section 2.3).

Examples of analytical procedures that may be employed to test for the presence of impurities are listed in appendix 6.2. New analytical technology and modifications to existing technology are continually being developed. Such technologies should be utilized when appropriate.

For the purpose of lot release (section 4), an appropriate subset of these methods should be selected and justified.

- *Contaminants*

Contaminants in a product include all adventitiously introduced materials not intended to be part of the manufacturing process, such as chemical/biochemical materials (e.g., microbial proteases) and/or microbial species. Contaminants should be strictly avoided and/or suitably controlled with appropriate in-process acceptance criteria or action limits or drug substance/drug product specifications (see section 2.3). For the special case of adventitious viral or mycoplasma contamination, the concept of action limits is not applicable, and the strategies proposed in ICH guidances Q5A ''Quality of Biotechnological/Biological Products: Viral Safety Evaluation of Biotechnology Products Derived from Cell Lines of Human or Animal Origin'' and Q5D ''Quality of Biotechnological/Biological Products: Derivation and Characterization of Cell Substrates Used for Production of Biotechnological/Biological Products'' should be considered.

2.1.5 Quantity

Quantity, usually measured as protein content, is critical for a biotechnological/biological product and should be determined using an appropriate assay, usually physicochemical in nature. In some cases, it may be demonstrated that the quantity values obtained may be directly related to those found using the biological assay. When this correlation exists, it may be appropriate to use measurement of quantity rather than measurement of biological activity to determine manufacturing parameters, such as for filling.

2.2 Analytical Considerations

2.2.1 Reference standards and reference materials

For drug applications for new molecular entities, it is unlikely that an international or national standard will be available. At the time of submission, the manufacturer should have established an appropriately characterized in-house primary reference material, prepared from lot(s) representative of production and clinical materials. In-house working reference material(s) used in the testing of production lots should be calibrated against this primary reference material. Where an international or national standard is available and appropriate, reference materials should be calibrated against it. While it is desirable to use the same reference material for both biological assays and physicochemical testing, in some cases, a separate reference material may be necessary. Also, distinct reference materials for product-related substances, product-related impurities, and process-related impurities may need to be established. When appropriate, a description of the manufacture and/or purification of reference materials should be included in the application. Documentation of the characterization, storage conditions, and formulation supportive of reference material(s) stability should also be provided.

2.2.2 Validation of analytical procedures

At the time the application is submitted to the regulatory authorities, applicants should have validated the analytical procedures used in the specifications in accordance with the ICH guidances Q2A ''Validation of Analytical Procedures: Definitions and Terminology'' and Q2B ''Validation of Analytical Procedures: Methodology,'' except where there are specific issues for unique tests used for analyzing biotechnological/biological products.

2.3 Process Controls

2.3.1 Process-related considerations

Adequate design of a process and knowledge of its capability are part of the strategy used to develop a manufacturing process that is controlled and reproducible, yielding a drug substance/drug product which meets specifications. In this respect, limits are justified based on critical information gained from the entire process spanning the period from early development through commercial-scale production.

For certain impurities, testing on either the drug substance or the drug product may not be necessary and may not need to be included in the specifications if efficient control or removal to acceptable levels is demonstrated by suitable studies. This can include verification at commercial-scale in accordance with regional regulations. It is recognized that only limited data may be available at the time of submission of an application. This concept may, therefore, sometimes be implemented after marketing authorization, in accordance with regional regulations.

2.3.2 In-process acceptance criteria and action limits

In-process tests are performed at critical decision making steps and at points where data serve to confirm consistency of the process during the production of either the drug substance or the drug product. The in-process test results may be recorded as action limits or reported as acceptance criteria. Monitoring for the presence of mycoplasma and adventitious virus at the end of a cell culture harvest and/or other stages is an example of testing for which in-process acceptance criteria should be set. Performing

such testing may eliminate the need for testing of the drug substance/drug product (section 2.3.1).

The use of internal action limits by the manufacturer to assess the consistency of the process at less critical steps is also important. Data obtained during development and validation runs should provide the basis for provisional action limits to be set for the manufacturing process. These limits, which are the responsibility of the manufacturer, should be further refined as increased experience and data are obtained after product approval.

2.3.3 Raw materials and excipient specifications

The quality of the raw materials used in the production of the drug substance (or drug product) should meet acceptable standards, appropriate for their intended use. Biological raw materials or reagents may require careful evaluation to establish the presence or absence of deleterious endogenous or adventitious agents. Procedures that make use of affinity chromatography (for example, employing monoclonal antibodies) should be accompanied by appropriate measures to ensure that such process-related impurities or potential contaminants arising from their production and use do not compromise the quality and safety of the drug substance/drug product. Appropriate information pertaining to the antibody should be made available.

The quality of the excipients used in the drug product formulation (and in some cases, in the drug substance), as well as the container closure systems, should meet pharmacopoeial standards, where available and appropriate. Otherwise, suitable acceptance criteria should be established for the nonpharmacopoeial excipients.

2.4 Pharmacopoeial Specifications

Pharmacopoeias contain important requirements pertaining to certain analytical procedures and acceptance criteria which, where relevant, are part of the evaluation of either the drug substance or drug product. Such monographs, applicable to biotechnological/biological products, generally include, but are not limited to, tests for sterility, endotoxins, bioburden, volume in container, uniformity of dosage forms, and particulate matter. With respect to the use of pharmacopoeial methods and acceptance criteria, the value of this guidance is linked to the extent of harmonization of the analytical procedures of the pharmacopoeias. The pharmacopoeias are committed to developing identical or methodologically equivalent test procedures and acceptance criteria.

2.5 Release Limits Versus Shelf-Life Limits

The concept of release limits versus shelf-life limits may be applied where justified. This concept pertains to the establishment of limits which are tighter for the release than for the shelf-life of the drug substance/drug product. Examples where this may be applicable include potency and degradation products. In some regions, the concept of release limits may only be applicable to in-house limits and not to the regulatory shelf-life limits.

2.6 Statistical Concepts

Appropriate statistical analysis should be applied, when necessary, to quantitative data reported. The methods of analysis, including justification and rationale, should be described fully. These descriptions should be sufficiently clear to permit independent calculation of the results presented.

3.0 Justification of the Specification

The setting of specifications for drug substance and drug product is part of an overall control strategy which includes control of raw materials and excipients, in-process testing, process evaluation/validation, stability testing, and testing for consistency of lots. When combined in total, these elements provide assurance that the appropriate quality of the product will be maintained. Since specifications are chosen to confirm the quality rather than to characterize the product, the manufacturer should provide the rationale and justification for including and/or excluding testing for specific quality attributes. The following points should be taken into consideration when establishing scientifically justifiable specifications.

- Specifications are linked to a manufacturing process.

Specifications should be based on data obtained from lots used to demonstrate manufacturing consistency. Linking specifications to a manufacturing process is important, especially for product-related substances, product-related impurities, and process-related impurities. Process changes and degradation products produced during storage may result in heterogeneity patterns which differ from those observed in the material used during preclinical and clinical development. The significance of these alterations should be evaluated.

- Specifications should account for the stability of drug substance and drug product.

Degradation of drug substance and drug product, which may occur during storage, should be considered when establishing specifications. Due to the inherent complexity of these products, there is no single stability-indicating assay or parameter that profiles the stability characteristics. Consequently, the manufacturer should propose a stability-indicating profile. The result of this stability-indicating profile will then provide assurance that changes in the quality of the product will be detected. The determination of which tests should be included will be product-specific. The manufacturer is referred to the ICH guidance Q5C ''Stability Testing of Biotechnological/Biological Products.''

- Specifications are linked to preclinical and clinical studies.

Specifications should be based on data obtained for lots used in preclinical and clinical studies. The quality of the material made at commercial scale should be representative of the lots used in preclinical and clinical studies.

- Specifications are linked to analytical procedures.

Critical quality attributes may include items such as potency, the nature and quantity of product-related substances, product-related impurities, and process-related impurities. Such attributes can be assessed by multiple analytical procedures, each yielding different results. In the course of product development, it is not unusual for the analytical technology to evolve in parallel with the product. Therefore, it is important to confirm that data generated during development correlate with those generated at the time the marketing application is filed.

4.0 Specifications

Selection of tests to be included in the specifications is product specific. The rationale used to establish the acceptable range of acceptance criteria should be described. Acceptance criteria should be established and justified based on data obtained from lots used in preclinical/clinical studies, lots used for demonstration of manufacturing consistency, and relevant development data, such as those arising from analytical procedures and stability studies.

In some cases, testing at production stages rather than testing the finished drug substance or drug product may be appropriate and acceptable. In such circumstances, test results should be considered as in-process acceptance criteria and included in the specification of drug substance or drug product in accordance with the requirements of the regional regulatory authorities.

4.1 Drug Substance Specification

Generally, the following tests and acceptance criteria are considered applicable to all drug substances. Pharmacopoeial tests (e.g., endotoxin detection) should be performed on the drug substance, where appropriate. Additional drug substance specific acceptance criteria may also be necessary.

4.1.1 Appearance/description

A qualitative statement describing the physical state (e.g., solid, liquid) and color of a drug substance should be provided.

4.1.2 Identity

The identity test(s) should be specific for the drug substance and should be based on unique aspects of its molecular structure and/or other specific properties. More than one test (physicochemical, biological, and/or immunochemical) may be necessary to establish identity. The identity test(s) for a drug substance can be qualitative in nature and, generally, need not be highly sensitive. Some of the methods typically used for characterization of the product as described in section 2.1 and in appendix 6.1 may be employed and/or modified as appropriate for the purpose of establishing identity.

4.1.3 Purity and impurities

Since the absolute purity of biotechnological/biological products is difficult to determine and the results are method-dependent (section 2.1.4), the purity of the drug substance is usually estimated by a combination of methods.

The impurities observed in these products are classified as process-related and product-related:

- Process-related impurities (section 2.1.4) in the drug substance may include culture media, host cell proteins, DNA,

monoclonal antibodies and chromatographic media used in purification, solvents/buffer components. These impurities should be minimized by the use of appropriate well-controlled manufacturing processes.

- Product-related impurities (section 2.1.4) in the drug substance are molecular variants with properties different from those of the desired product resulting from processing or from storage.

The choice and optimization of analytical procedures should focus on the separation of the desired product and product-related substances from impurities. Individual and/or collective acceptance criteria for impurities should be set, as appropriate. Under certain circumstances, acceptance criteria for selected impurities may not be necessary.

4.1.4 Potency

A relevant, validated potency assay (section 2.1.2) should be part of the specifications for a biological/biotechnological drug substance and/or drug product. When an appropriate potency assay is used for the drug product, an alternative method (physicochemical and/or biological) may suffice for quantitative assessment at the drug substance stage (section 4.2.4). In some cases, the measurement of specific activity may provide additional useful information.

4.1.5 Quantity

The quantity of the drug substance, usually based on protein content (mass), should be determined using an appropriate assay. The quantity determination may be reference standard/material independent. In cases where product manufacture is based upon potency, there may be no need for an alternate determination of quantity.

4.2 Drug Product Specification

Generally, the following tests and acceptance criteria are considered applicable to all drug products. Each section (4.2.1–4.2.5) is cross referenced to respective sections (4.1.1–4.1.5) under Drug Substance Specification. Pharmacopoeial requirements apply to the relevant dosage forms. Typical tests found in the pharmacopoeia include, but are not limited to, sterility, endotoxin, microbial limits, volume in container, particulate matter, uniformity of dosage forms, and moisture content for lyophilized drug products. If appropriate, testing for uniformity of dosage form may be performed as in-process controls and corresponding acceptance criteria are set.

4.2.1 Appearance/description

A qualitative statement describing the physical state (e.g., solid, liquid), color, and clarity of the drug product should be provided.

4.2.2 Identity

The identity test(s) should be specific for the drug product and should be based on unique aspects of its molecular structure and other specific properties. The identity test(s) can be qualitative in nature and generally need not be highly sensitive. While it is recognized that in most cases a single test is adequate, more than one test (physicochemical, biological, and/or immunochemical) may be necessary to establish identity for some products. Some of the methods typically used for characterization of the product as described in section 2.1 and in appendix 6.1 may be employed and/or modified as appropriate for the purpose of establishing identity.

4.2.3 Purity and impurities

Impurities may be generated or increase in the manufacture of the drug product. These may be either the same as those occurring in the drug substance itself, process-related, or degradation products which form specifically in the drug product during formulation or during storage. If impurities are qualitatively and quantitatively (i.e., relative amounts and/or concentrations) the same as in the drug substance, testing is not considered necessary. If impurities are known to be introduced or formed during the production of the drug product, the levels of these impurities should be determined and acceptance criteria established.

Acceptance criteria and analytical procedures should be developed and justified, based upon previous experience with the drug product, to measure changes in the drug substance during the manufacture of the drug product.

The choice and optimization of analytical procedures should focus on the separation of the desired product and product-related substances from excipients and impurities including degradation products inherent in the drug product.

4.2.4 Potency

A relevant, validated potency assay (section 2.1.2) should be part of the specifications for a biological/biotechnological drug substance and/or drug product. When an appropriate potency assay is used for the drug substance, an alternative method (physicochemical and/or biological) may suffice for quantitative assessment of the drug product (section 4.1.4).

4.2.5 Quantity

The quantity of the drug substance in the drug product, usually based on protein content, should be determined using an appropriate assay. In cases where product manufacture is based upon potency, there may be no need for an alternate determination of quantity.

4.2.6 General tests

Physical description and the measurement of other quality attributes are often important for the evaluation of the drug product functions. Examples of such tests include pH and osmolarity.

4.2.7 Additional testing for unique dosage forms

It should be recognized that certain unique dosage forms may need additional tests other than those mentioned above.

5.0 Glossary

Acceptance criteria: Numerical limits, ranges, or other suitable measures for acceptance which the drug substance or drug product or materials at other stages of their manufacture should meet to conform with the specification of the results of analytical procedures.

Action limits: An action limit is an internal (in-house) value used to assess the consistency of the process at less critical steps. These limits are the responsibility of the manufacturer.

Biological activity: Biological activity describes the specific ability or capacity of the product to achieve its intended biological effect. Potency is the quantitative measure of the biological activity.

Contaminants: Any adventitiously introduced materials (e.g., chemical, biochemical, or microbial species) in the drug substance/drug product not intended to be part of the manufacturing process.

Degradation products: Degradation products are molecular variants resulting from changes in the desired product or product-related substances brought about over time and/or by the action of, e.g., light, temperature, pH, water, or by reaction with an excipient and/or the immediate container/closure system. Such changes may occur as a result of processing and/or storage (e.g., deamidation, oxidation, aggregation, proteolysis). Degradation products may be either product-related substances or product-related impurities.

Desired product: The protein that is expected from the DNA sequence and anticipated post-translational modifications (including glycoforms) and intended downstream processing necessary to produce an active biological molecule.

Drug product (Dosage form; Finished product): A pharmaceutical product type that contains a drug substance, generally in association with excipients.

Drug substance (Bulk material): The drug substance is the material which is subsequently formulated with excipients to produce the drug product. It can be composed of the desired product, product-related substances, and product- and process-related impurities. It may also contain excipients and other components, such as buffers.

Excipient: An ingredient added intentionally to the drug product or drug substance which should not have pharmacological properties in the used quantity.

Impurity: Any component present in the drug substance or drug product that is not the desired product, a product-related substance, or an excipient (including added buffer components). It may be either process- or product-related.

Potency: Potency is the measure of the biological activity using a suitably quantitative biological assay (also called potency assay or bioassay), based on the attribute of the product which is linked to the relevant biological properties.

Process-related impurities: Impurities that are derived from the manufacturing process. They may be derived from cell substrates, culture (e.g., inducers, antibiotics, or media components), or from downstream processing (e.g., processing reagents or column leachables).

Product-related impurities: Product-related impurities are molecular variants of the desired product arising from processing or during storage (e.g., certain degradation products) which do not have properties comparable to those of the desired product with respect to activity, efficacy, and safety.

Product-related substances: Product-related substances are molecular variants of the desired product which are active and have no deleterious effect on the safety and efficacy of the drug product. These variants possess properties comparable to the desired product and are not considered impurities.

Raw material: Raw material is a collective name for substances or components used in the manufacture of the drug substance or drug product.

Reference standards/materials: In addition to the existing international/national standards, it is usually necessary to create in-house reference materials.

— *In-house primary reference material*: A primary reference material is an appropriately characterized material prepared by the manufacturer from a representative lot(s) for the purpose of biological assay and physicochemical testing of subsequent lots, and against which in-house working reference material is calibrated.

— *In-house working reference material*: The in-house working reference material is a material prepared similarly to the primary reference material and is established solely to assess and control subsequent lots for the individual attribute in question. It is always calibrated against the in-house primary reference material.

Specification: A specification is a list of tests, references to analytical procedures, and appropriate acceptance criteria with numerical limits, ranges, or other criteria for the tests described, which establishes the set of criteria to which a drug substance or drug product or materials at other stages of their manufacture should conform to be considered acceptable for its intended use.

6.0 Appendices

6.1 Appendix for Physicochemical Characterization

This appendix provides examples of technical approaches which might be considered for structural characterization/confirmation and evaluation of physicochemical properties of the desired product. The specific technical approach employed will vary from product to product, and alternative approaches, other than those included in this appendix, will be appropriate in many cases. New analytical technology and modifications to existing technology are continuously being developed. Such technologies should be utilized when appropriate.

6.1.1 Structural characterization/confirmation

(a) Amino acid sequence

The amino acid sequence of the desired product should be determined to the extent possible using approaches such as those described in items (b) through (e) and then compared with the sequence of the amino acids deduced from the gene sequence of the desired product.

(b) Amino acid composition

The overall amino acid composition is determined using various hydrolytic and analytical procedures and compared with the amino acid composition deduced from the gene sequence for the desired protein, or the natural counterpart, if considered necessary, taking into account the size of the molecule. In many cases, amino acid composition analysis provides some useful structural information for peptides and small proteins, but such data are generally less definitive for large proteins. Quantitative amino acid analysis data can also be used to determine protein content in many cases.

(c) Terminal amino acid sequence

Terminal amino acid analysis is performed to identify the nature and homogeneity of the amino (N-) and carboxy (C)-terminal amino acids. If the desired product is found to be heterogeneous with respect to the terminal amino acids, the relative amounts of the variant forms should be determined using an appropriate analytical procedure. The sequence of these terminal amino acids should be compared with the terminal amino acid sequence deduced from the gene sequence of the desired protein.

(d) Peptide map

Selective fragmentation of the product into discrete peptides is performed using suitable enzymes or chemicals, and the resulting peptide fragments are analyzed by HPLC or other appropriate analytical procedures. The peptide fragments should be identified to the extent possible using techniques such as amino acid compositional analysis, N-terminal sequencing, or mass spectrometry. Validated peptide mapping is frequently an appropriate method to confirm desired product structure/identity for lot release purposes.

(e) Sulfhydryl group(s) and disulfide bridges

If, based on the gene sequence for the desired protein, cysteine residues are expected, the number and positions of any free sulfhydryl groups and/or disulfide bridges should be determined, to the extent possible. Peptide mapping (under reducing and nonreducing conditions), mass spectrometry, or other appropriate techniques may be useful for this evaluation.

(f) Carbohydrate structure

For glycoproteins, the carbohydrate content (neutral sugars, amino sugars, and sialic acid) is determined. In addition, the structure of the carbohydrate chains, the oligosaccharide pattern (antennary profile), and the glycosylation site(s) of the polypeptide chain are analyzed, to the extent possible.

6.1.2 Physicochemical properties

(a) Molecular weight/size

Molecular weight (or size) is determined using size exclusion chromatography, SDS-polyacrylamide gel electrophoresis (under reducing and/or nonreducing conditions), mass spectrometry, and/or other appropriate techniques.

(b) Isoform pattern

This is determined by isoelectrical focusing or other appropriate techniques.

(c) Extinction coefficient (or molar absorptivity)

In many cases, it will be desirable to determine the extinction coefficient (or molar absorptivity) for the desired product at a particular UV/visible wavelength (e.g., 280 nanometers). The extinction coefficient is determined using UV/visible spectrophotometry on a solution having a known protein content as determined by techniques such as amino acids compositional analysis or nitrogen determination.

(d) Electrophoretic patterns

Electrophoretic patterns and data on identity, homogeneity, and purity of the desired product/drug substance obtained by polyacrylamide gel electrophoresis, isoelectric focusing, SDS-polyacrylamide gel electrophoresis, Western-Blot, capillary electrophoresis, or other suitable procedures are determined as appropriate.

(e) Liquid chromatographic patterns

Chromatographic patterns and data on the identity, homogeneity, and purity of the desired product/drug substance obtained by size exclusion chromatography, reverse-phase liquid chromatography, ion-exchange liquid chromatography, affinity chromatography, or other suitable procedures are determined as appropriate.

(f) Spectroscopic profiles

The ultraviolet and visible absorption spectra are determined as appropriate. The higher-order structure of the product is examined using procedures such as circular dichroism, nuclear magnetic resonance (NMR), or other suitable techniques as appropriate.

6.2 Appendix for Impurities

This appendix lists potential impurities, their sources, and examples of relevant analytical approaches for detection. Specific impurities and technical approaches employed, as in the case of physicochemical characterization, will vary from product to product, and alternative approaches other than those listed in this appendix will be appropriate in many cases. New analytical technology and modifications to existing technology are continuously being developed. Such technologies should be utilized when appropriate.

6.2.1 Process-related impurities

These are derived from the manufacturing process (section 2.1.4) and are classified into three major categories: Cell substrate-derived, culture-derived, and downstream-derived.

(a) Cell substrate-derived impurities include proteins/polypeptides derived from the host organism; nucleic acid (host cell generic/vector/total DNA); polysaccharides; viruses. For host cell proteins, a sensitive immunoassay capable of detecting a wide range of protein impurities is generally utilized. The polyclonal antibody utilized in the test is generated from a crude preparation of a mock production organism, i.e., a production cell minus the product-coding gene. The level of DNA from host cells can be detected by direct analyses on the product (such as hybridization techniques) and/or by spiking experiments (laboratory scale) demonstrating the removal of nucleic acid by the purification process. For intentionally introduced viruses, the ability of the manufacturing process to remove/inactivate viruses should be demonstrated as described in the ICH guidance Q5A ''Viral Safety Evaluation of Biotechnology Products Derived from Cell Lines of Human or Animal Origin.''

(b) Culture-derived impurities include inducers (polynucleotides, viruses) antibiotics, serum, other media components.

(c) Downstream-derived impurities include enzymes, chemical/biochemical processing reagents (e.g., cyanogen bromide, guanidine, oxidizing and reducing agents), inorganic salts (e.g., heavy metals, arsenic, non metallic ion), solvents, carrier/ligands (e.g., monoclonal antibodies), other leachables.

6.2.2 Product-related impurities

The following represents the most frequently encountered molecular variants of the desired product and lists relevant technology for their assessment:

(a) Truncated forms. Cellular peptidases may catalyze the removal of amino acids or catalyze internal cleavages. This may be detected by HPLC or SDS–PAGE. Peptide mapping may be useful, depending on the property of the variant.

(b) Deamidated, isomerized, mismatched S–S linked, oxidized forms may need considerable effort in isolation and characterization in order to identify the type of chemical modification(s) and amino acid residue(s) involved. Chromatographic and/or electrophoretic methods (e.g., HPLC, capillary electrophoresis, mass spectroscopy, circular dichroism) may be utilized to isolate and characterize such variants.

(c) The category of aggregates includes dimers and higher multiples of the molecular entity. These are generally resolved from the active moiety and quantitated by size exclusion chromatography (e.g., SE–HPLC). Degradants identified from stability studies as being generated in significant amounts should be tested for and monitored against appropriately established acceptance criteria.

Dated: June 2, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–15193 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 98N–0285]

Sanofi Pharmaceuticals, Inc., et al.; Withdrawal of Approval of 21 New Drug Applications and 62 Abbreviated New Drug Applications; Correction

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; correction.

SUMMARY: The Food and Drug Administration (FDA) is correcting a document that appeared in the **Federal Register** of May 12, 1998 (62 FR 26191). The document announced the withdrawal of approval of 21 new drug applications (NDA's) and 62 abbreviated new drug applications (ANDA's). The document was published with an error in the identification of NDA for Pipanol Powder and Tablets (trihyphenidyl) held by Sanofi Pharmaceuticals, Inc. This document corrects that error.

EFFECTIVE DATE: June 11, 1998.

FOR FURTHER INFORMATION CONTACT: Olivia A. Pritzlaff, Center for Drug Evaluation and Research (HFD–7), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–594–2041.

In FR Doc. 98–12613, appearing on page 26191 in the **Federal Register** of Tuesday, May 12, 1998, the following correction is made:

On page 26191, in the table, in the first column, the first entry ''NDA 4–496'' is corrected to read ''NDA 7–796''.

Dated: June 3, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–15338 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 97N–0532]

Agency Information Collection Activities; Announcement of OMB Approval

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that a collection of information entitled ''Radioactive Drug Research Committee (RDRC) Report on Research Use of Radioactive Drug Membership Summary and Radioactive Drug Research Use of Radioactive Drug Study Summary'' has been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (the PRA).

FOR FURTHER INFORMATION CONTACT: Karen L. Nelson, Office of Information Resources Management (HFA–250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–1482.

SUPPLEMENTARY INFORMATION: In the **Federal Register** of January 9, 1998 (63 FR 1484), the agency announced that the proposed information collection had been submitted to OMB for review and clearance under section 3507 of the PRA (44 U.S.C. 3507). 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. OMB has now approved the information collection and has assigned OMB control number 0910–0053. The approval expires on May 31, 2001.

Dated: June 2, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–15191 Filed 6–8–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

[HCFA–1044–N]

Medicare Program; June 22, 1998, Meeting of the Practicing Physicians Advisory Council

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Notice of meeting.

SUMMARY: In accordance with section 10(a) of the Federal Advisory Committee Act, this notice announces a meeting of the Practicing Physicians Advisory Council. This meeting is open to the public.

DATES: The meeting is scheduled for June 22, 1998, from 8:30 a.m. until 5 p.m., E.S.T.

ADDRESSES: The meeting will be held in Room 800, 8th Floor, Hubert H. Humphrey Building, 200 Independence Avenue, SW, Washington, DC 20201.

FOR FURTHER INFORMATION CONTACT: Aron Primack, MD, MA, FACP, Executive Director, Practicing Physicians Advisory Council, Room 435–H, Hubert H. Humphrey Building, 200 Independence Avenue, S.W., Washington, DC 20201, (202) 690–7874

SUPPLEMENTARY INFORMATION: The Secretary of the Department of Health and Human Services (the Secretary) is mandated by section 1868 of the Social Security Act to appoint a Practicing Physicians Advisory Council (the Council) based on nominations submitted by medical organizations representing physicians. The Council meets quarterly to discuss certain proposed changes in regulations and carrier manual instructions related to physicians' services, as identified by the Secretary. To the extent feasible and consistent with statutory deadlines, the consultation must occur before publication of the proposed changes. The Council submits an annual report on its recommendations to the Secretary and the Administrator of the Health

Care Financing Administration not later than December 31 of each year.

The Council consists of 15 physicians, each of whom has submitted at least 250 claims for physicians' services under Medicare or Medicaid in the previous year. Members of the Council include both participating and nonparticipating physicians, and physicians practicing in rural and underserved urban areas. At least 11 members must be doctors of medicine or osteopathy authorized to practice medicine and surgery by the States in which they practice. Members have been invited to serve for overlapping 4-year terms. In accordance with section 14 of the Federal Advisory Committee Act, terms of more than 2 years are contingent upon the renewal of the Council by appropriate action before the end of the 2-year term.

The Council held its first meeting on May 11, 1992.

The current members are: Jerold M. Aronson, M.D.; Richard Bronfman, D.P.M.; Wayne R. Carlsen, D.O.; Gary C. Dennis, M.D.; Mary T. Herald, M.D.; Ardis Hoven, M.D.; Sandral Hullett, M.D.; Jerilynn S. Kaibel, D.C.; Marie G. Kuffner, M.D.; Marc Lowe, M.D.; Derrick K. Latos, M.D.; Sandra B. Reed, M.D,; Susan Schooley, M.D.; Maisie Tam, M.D.; and Kenneth M. Viste, Jr., M.D. The chairperson is Kenneth M. Viste, Jr., M.D. The vice chairperson is Marie G. Kuffner, M.D.

Council members will receive updates on Documentation Guidelines, HIPPA Administration Simplification Rule, Medicare+Choice, Practice Expense Proposed Rule, and Year 2000 Information System Issues. The agenda will provide for discussion and comment on the following topics:

- Quality Improvement and Evidenced Based Decision Making, and
- Chief Financial Officer Audit.

Individuals or organizations that wish to make 5-minute oral presentations on the agenda issues should contact the Executive Director by 12 noon, June 10, 1998, to be scheduled. The number of oral presentations may be limited by the time available. A written copy of the oral remarks should be submitted to the Executive Director no later than 12 noon, June 17, 1998. Anyone who is not scheduled to speak may submit written comments to the Executive Director by 12:00 noon, June 17, 1998. The meeting is open to the public, but attendance is limited to the space available.

(Section 1868 of the Social Security Act (42 U.S.C. 1395ee) and section 10(a) of Pub. L. 92–463 (5 U.S.C. App. 2, section 10(a))

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: June 4, 1998.

Nancy-Ann Min DeParle,

Administrator, Health Care Financing Administration.

[FR Doc. 98–15381 Filed 6–5–98; 10:46 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Aging; Notice of Closed Meetings

Pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings:

Name of Committee: National Institute on Aging Initial Review Group, Sociology Aging Review Committee.

Dates of Meeting: June 11–12, 1998.

Times of Meeting: June 11—6:00 p.m. to recess; June 12—8:30 a.m. to adjournment.

Place of Meeting: ANA Hotel, Washington, D.C.

Purpose/Agenda: To review grant applications.

Contact Person: Dr. Mary Ann Guadagno, Scientific Review Administrator, Gateway Building, Room 2C212, National Institutes of Health, Bethesda, Maryland 20892–9205, (301) 496–9666.

Name of SEP: National Institute on Aging Special Emphasis Panel, Epidemiology of Dementia in an Urban Community.

Date of Meeting: June 12, 1998.

Time of Meeting: 8:30 a.m. to adjournment.

Place of Meeting: Radisson Empire Hotel, New York, NY 10023.

Purpose/Agenda: To review project application.

Contact Person: Dr. William Kachadorian, Scientific Review Administrator, Gateway Building, Room 2C212, National Institutes of Health, Bethesda, Maryland 20892–9205, (301) 496–9666.

This notice is being published less than 15 days prior to the above meetings due to the urgent need to meet timing limitations imposed by the review and funding cycle.

Name of SEP: National Institute on Aging Special Emphasis Panel, Biology and Neuroscience of Aging and Geriatrics, Minority Dissertation Review—Panel B (teleconference).

Date of Meeting: June 17, 1998.

Time of Meeting: 1:00 p.m. to adjournment.

Place of Meeting: Gateway Building, Room 2C212, 7201 Wisconsin Avenue, Bethesda, Maryland 20892.

Purpose/Agenda: To review small grant applications.

Contact Person: Dr. Paul Lenz, Scientific Review Administrator, Gateway Building, Room 2C212, National Institutes of Health, Bethesda, Maryland 20892–9205, (301) 496–9666.

Name of SEP: National Institute on Aging Special Emphasis Panel, Psychology and Sociology of Aging Minority Dissertation Review (Teleconference).

Date of Meeting: June 24, 1998.

Time of Meeting: 1:00 p.m. to adjournment.

Place of Meeting: Gateway Building, Room 2C212, 7201 Wisconsin Avenue, Bethesda, Maryland 20892.

Purpose/Agenda: To review small grant applications.

Contact Person: Dr. Paul Lenz, Scientific Review Administrator, Gateway Building, Room 2C212, National Institutes of Health, Bethesda, Maryland 20892–9205, (301) 496–9666.

Name of SEP: National Institute on Aging Special Emphasis Panel DNA Repair, Mutations and Cellular Aging and Mechanism of Myocardial Aging.

Dates of Meeting: July 7–9, 1998.

Times of Meeting: July 7–8:00 p.m. to recess; July 8–8:30 a.m. to recess; July 9–8:30 a.m. to adjournment.

Place of Meeting: Copley Marriott, Boston, Massachusetts.

Purpose/Agenda: To review grant applications.

Contact Person: Dr. James Harwood, Scientific Review Administrator, Gateway Building, Room 2C212, National Institutes of Health, Bethesda, Maryland 20892–9205, (301) 496–9666.

These meetings will be closed in accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. Applications and/or proposals and the discussions could reveal confidential trade secrets or commercial property such as patentable material and personal information concerning individuals associated with the applications and/or proposals, the disclosure of which constitute a clearly unwarranted invasion of personal privacy.

(Catalog of Federal Domestic Assistance Program No. 93.866, Aging Research, National Institutes of Health)

Dated: June 2, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–15286 Filed 6–8–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Drug Abuse; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose

confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Drug Abuse Special Emphasis Panel Epidemiology and Prevention Conflicts.

Date: June 10, 1998.

Time: 1:00 PM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Crystal City Courtyard Marriott, 2899 Jefferson Davis Highway, Arlington, VA 22202.

Contact Person: Kesinee Nimit, Md, Health Scientist Administrator, Office of Extramural Program Review, National Institute on Drug Abuse, National Institutes of Health, DHHS, 5600 Fishers Lane, Room 10–22, Rockville, MD 20857.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.277, Drug Abuse Scientist Development Award for Clinicians, Scientist Development Awards, and Research Scientist Awards; 93.278, Drug Abuse National Research Service Awards for Research Training; 93.279, Drug Abuse Research Programs, National Institutes of Health, HHS)

Dated: June 2, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–15287 Filed 6–8–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of person privacy.

Name of Committee: Behavioral and Neurosciences Special Emphasis Panel Cellular & Molecular Development Neuroscience 7.

Date: June 9–10, 1998.

Time: 8:30 a.m. to 5 p.m.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Bethesda, 8120 Wisconsin Ave, Bethesda, MD 20814.

Contact Person: Stephen Gobel, DDS, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4112, MSC 7816, BETHESDA, MD 20892, (301) 435–1783.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: June 9, 1998.

Time: 1:30 p.m. to 3:30 p.m.

Agenda: To review and evaluate grant applications.

Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Daniel B. Berch, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5204, MSC 7848, BETHESDA, MD 20892, (301) 435–1256.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel ZRG2 NTN (01).

Date: June 9, 1998.

Time: 2:30 p.m. to 5:30 p.m.

Agenda: To review and evaluate grant applications.

Place: NIH, Rockledge 2, Room 3016, Bethesda, MD 20892.

Contact Person: Sooja K. Kim, PHD, RD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6158, MSC 7892, BETHESDA, MD 20892, (301) 435–1780.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Behavioral and Neurosciences Special Emphasis Panel.

Date: June 10–11, 1998.

Time: 8:30 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Governer's House Holiday Inn, 17th St & Rhode Island Ave, NW, Washington, DC 20036.

Contact Person: Carl D. Banner, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5212, MSC 7850, BETHESDA, MD 20892, (302) 435–1251.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: June 11, 1998.

Time: 8:30 AM to 3:30 PM.

Agenda: To review and evaluate and grant applications.

Place: Holiday Inn, 5520 Wisconsin Ave, Chevy Chase, MD 20815.

Contact Person: Betty Hayden, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4206, MSC 7812, BETHESDA, MD 20892, (301) 435–1223.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: June 15, 1998.

Time: 8:00 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Bethesda Marriott, 5151 Pooks Hill Rd, Bethesda, MD 20814.

Contact Person: Nabeeh Mourad, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4212, MSC 7812, BETHESDA, MD 20892.

This notice is being published less than 15 days prior the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Clinical Sciences Special Emphasis Panel.

Date: June 16–17, 1998.

Time: 8:00 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Geogretown Inn, 1310 Wisconsin Ave., N.W., Washington, DC 2007.

Contact Person: Jo Pelham, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4106, MSC 7814, BETHESDA, MD 20892, (301) 435–1786.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel.

Date: June 25–26, 1998.

Time: 2:00 PM to 4:00 PM.

Agenda: To review and evaluate grant applications.

Place: The Hyatt Regency Bethesda, One Bethesda Metro Center, Bethesda, MD 20814.

Contact Person: Marjam G. Behar, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4178, MSC 7806, BETHESDA, MD 20892, (301) 435–1180.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: June 29–30, 1998.

Time: 8:00 AM to 11:30 AM.

Agenda: To review and evaluate grant applications.

Place: Bethesda Marriott Hotel, 5151 Pooks Hill Road, Bethesda, MD 20814.

Contact Person: Nabeeh Mourad, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of

Health, 6701 Rockledge Drive, Room 4212, MSC 7812, BETHESDA, MD 20892.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel ZRG2–GMA–02–(01M).

Date: June 30, 1998.

Time: 1:00 PM to 2:00 PM.

Agenda: To review and evaluate grant applications.

Place: 6701 Rockledge Drive, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Mushtaq A. Khan, DVM, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4124, MSC 7818, BETHESDA, MD 20892, (301) 435–1778, khanm@drg.nih.gov.

Name of Committee: Microbiological and Immunological Sciences Special Emphasis Panel ZRG–5 AARR–03.

Date: July 1–2, 1998.

Time: 8:30 AM to 4:00 PM.

Agenda: to review and evaluate grant applications.

Place: Hyatt Regency Bethesda, One Bethesda Metro Center, Bethesda, MD 20814.

Contact Person: Mohindar Poonian, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5110, MSC 7852, BETHESDA, MD 20892, (301) 435–1168.

Name of Committee: Clinical Sciences Special Emphasis Panel.

Date: July 7–8, 1998.

Time: 2:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn, 5520 Wisconsin Ave, Chevy Chase, MD 20815.

Contact Person: Shirley Hilden, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4218, MSC 7814, BETHESDA, MD 20892, (301) 435–1198.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel ZRG2–GMA2–(02B).

Date: July 8, 1998.

Time: 8:30 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: ANA Hotel, 2401 M Street, NW., Washington, DC 20037.

Contact Person: Mushtaq A. Khan, DVM, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4124, MSC 7818, BETHESDA, MD 20892, (301) 435–1778, khanm@drg.nih.gov.

Name of Committee: Clinical Sciences Special Emphasis Panel ZRG4–UROL–02.

Date: July 8, 1998.

Time: 10:00 a.m. to 12:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Chevy Chase, 5520 Wisconsin Avenue, Chevy Chase, MD 20815.

Contact Person: Shirley Hilden, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4218, MSC 7814, BETHESDA, MD 20892, (301) 435–1198.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: July 8, 1998.

Time: 1:00 p.m. to 3:30 p.m.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn National Airport, 1489 Jefferson Davis Highway, Arlington, VA 22202.

Contact Person: Everett Sinnett, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4120, MSC 7818, BETHESDA, MD 20892, (301) 435–1016, ev__sinnett@nih.gov.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: July 9–10, 1998.

Time: 2:00 PM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Georgetown, 2101 Wisconsin Ave, Washington, DC 20007.

Contact Person: Syed M. Quadri, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4144, MSC 7804, BETHESDA, MD 20892, (301) 435–1211.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: July 19–20, 1998.

Time: 1:00 PM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Georgetown, 2101 Wisconsin Ave, Washington, DC 20007.

Contact Person: Syed M. Quadri, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4144, MSC 7804, BETHESDA, MD 20892, (301) 435–1211.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.

Date: July 28, 1998.

Time: 8:00 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Sheraton Reston Hotel, Reston, VA.

Contact Person: Ramesh K. Nayak, PHD, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5146, MSC 7840, BETHESDA, MD 20892, (301) 435–1026.

(Catalog of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine, 93.306; 93.333, Clinical Research, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: June 2, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–15288 Filed 6–8–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration

Agency Information Collection Activities: Proposed Collection; Comment Request

In compliance with Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 concerning opportunity for public comment on proposed collections of information, the Substance Abuse and Mental Health Services Administration will publish periodic summaries of proposed projects. To request more information on the proposed projects or to obtain a copy of the information collection plans, call the SAMHSA Reports Clearance Officer on (301) 443–7978.

Comments are invited on: (a) Whether the proposed collections of information are necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Proposed Project

Testing of Substance Abuse Prevention and Treatment and Mental Health Services Communication Messages—NEW—As the Federal agency responsible for developing and disseminating authoritative knowledge about substance abuse prevention, addition treatment, and mental health services and for mobilizing consumer support and increasing public understanding to overcome the stigma attached to addiction and mental illness, the Substance Abuse and Mental Health Services Administration (SAMHSA) is responsible for development and dissemination of a wide range of education and information materials for both the general public and the professional communities. This submission will provide for formative and qualitative evaluation activities to: (1) Assess audience knowledge, attitudes, behavior and other characteristics for the planning and development of messages, communication strategies and public information programs; and (2) test these messages, strategies and program

components in developmental form to assess audience comprehension, reactions and perceptions. Information obtained from testing can then be used to improve materials and strategies while revisions are still affordable and possible. The annual burden associated with these activities is summarized below.

Activity	Number of respondents	Responses/ respondent	Hrs./response	Total burden
Focus Groups	180	1	1.50	270
Individual 1-on-1 Interviews	200	1	.75	150
Intercept Interviews:				
Central location	600	1	.25	150
Telephone	10,000	1	.08	800
Gatekeeper Interviews	400	1	.50	200
Omnibus surveys	2,000	1	.17	340
Total				1910

Send comments to Nancy Pearce, SAMHSA Reports Clearance Officer, Room 16–105, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857. Written comments should be received within 60 days of this notice.

Dated: June 3, 1998.

Richard Kopanda,

Executive Officer, SAMHSA.

[FR Doc. 98–15260 Filed 6–8–98; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration (SAMHSA)

Notice of Meetings

Pursuant to Pub. L. 92–463, notice is hereby given of the following meetings of the SAMHSA Center for Substance Abuse Prevention (CSAP) National Advisory Council and Special Emphasis Panel II in June and July.

The agenda of the CSAP National Advisory Council will include the review, discussion and evaluation of individual grant applications. Therefore this meeting will be closed to the public as determined by the Administrator, SAMHSA, in accordance with Title 5 U.S.C. 552b(c)(6) and 5 U.S.C. App. 2, Section 10(d).

Substantive program information may be obtained from the Contact listed below.

Committee Name: Center for Substance Abuse Prevention National Advisory Council.

Meeting Date: June 18, 1998.

Place: The Center for Substance Abuse Prevention, 515 Security Lane, Rockwall II Building, 9th Floor, Room 901, Rockville, Maryland 20852.

Closed: June 18, 1998, 1:00 p.m. to 3:00 p.m.

Contact: Yuth Nimit, Ph.D., 515 Security Lane, Rockwall II Building, Suite 901, Rockville, Maryland 20852, Telephone: (301) 443–8455.

The Special Emphasis II meetings will also be held in June and early July. A summary of the meetings and rosters of the members may be obtained from: Ms. Dee Herman, Committee Management Liaison, SAMHSA Office of Extramural Activities Review, 5600 Fishers Lane, Room 17–89, Rockville, Maryland 20857. Telephone: 301–443–7390.

Substantive program information may be obtained from the individual named as Contact for the meetings listed below.

The meetings will include the review, discussion and evaluation of individual grant applications. The discussions could reveal personal information concerning individuals associated with the applications. Accordingly, these meetings are concerned with matters exempt from mandatory disclosure in Title 5 U.S.C. 552b(c)(6) and 5 U.S.C. App.2, § 10(d).

Committee Name: SAMHSA Special Emphasis Panel II (SEP II).

Meeting Dates: June 23, 1998.

Place: Parklawn Building, Room 16C–26—Telephone Conference, 600 Fishers Lane, Rockville, Maryland 20852.

Closed: June 23, 1998, 2:00 p.m.—3:30 p.m.

Panel: FEMA—Crisis Counseling—Minnesota.

Contact: Lionel Fernandez, Ph.D., Review Administrator, Room 17–89, Parklawn Building, Telephone: 301–443–3042 and FAX: 301–443–3437.

Committee Name: SAMHSA Special Emphasis Panel II (SEP II).

Meeting Date: July 1, 1998.

Place: Parklawn Building, Room 16C–26—Telephone Conference, 5600 Fishers Lane, Rockville, Maryland 20852.

Closed: July 1, 1998, 2:00 p.m.–3:30 p.m.

Panel: FEMA—Crisis Counseling—Alabama.

Contact: Lionel Fernandez, Ph.D., Review Administrator, Room 17–89, Parklawn Building, Telephone: 301–443–3042 and FAX: 301–443–3437.

Dated: June 3, 1998.

Jeri Lipov,

Committee Management Officer, Substance Abuse and Mental Health Services Administration.

[FR Doc. 98–15190 Filed 6–8–98; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. ER–4375–N–01]

Notice of Proposed Information Collection: Comment Request

AGENCY: Office of the President of Government National Mortgage Association (Ginnie Mae), HUD.

ACTION: Notice.

SUMMARY: The proposed information collection requirement described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

DATES: *Comments due:* August 10, 1998.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Sonya Suarez, Office of Policy, Planning and Risk Management, Department of Housing & Urban Development, 451 7th Street, SW., Room 6226, Washington, DC 20410.

FOR FURTHER INFORMATION CONTACT: Sonya Suarez, Ginnie Mae, (202) 708–2772 (this is not a toll-free number) for copies of the proposed forms and other available documents.

SUPPLEMENTARY INFORMATION: The Department will submit the proposed information collection to OMB for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended).

The Notice is soliciting comments from members of the public and affecting agencies concerning the proposed collection of information to: (1) 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; (2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice also lists the following information:

Title of Proposal: Customer Satisfaction Survey.

OMB Control Number, if applicable: 2503–0031.

Description of the need for the information and proposed use: The purpose of this information collection will be to evaluate existing Ginnie Mae services and programs. This request to conduct the Ginnie Mae customer satisfaction survey is in response to Executive Order 12862 on setting customer driven standards. The survey will be used to evaluate what benefits would be needed to understand and satisfy the customers.

Agency form numbers, if applicable: Not applicable.

Members of affected public: For profit business (mortgage companies, thrifts, savings & loans, etc.)

Estimation of the total numbers of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response:

	Respondents	Frequency of response	Hours of response
Single Family MBS Issuers	520	50% or 260	3900 minutes or 65 hours.

Status of the proposed information collection: Extension of a currently approved collection.

Authority: Section 3506 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: May 22, 1998.

George S. Anderson,

Executive Vice President, Ginnie Mae.

[FR Doc. 98–15213 Filed 6–8–98; 8:45 am]

BILLING CODE 4210–01–M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Letters of Authorization to Take Marine Mammals

AGENCY: U.S. Fish and Wildlife Service, Interior.

ACTION: Notice of issuance of Letters of Authorization to take marine mammals incidental to oil and gas industry activities.

SUMMARY: In accordance with section 101(a)(5) of the Marine Mammal Protection Act of 1972, as amended, and the U.S. Fish and Wildlife Service implementing regulations [50 CFR 18.27(f)(3)], notice is hereby given that Letters of Authorization to take polar bears and Pacific walrus incidental to oil and gas industry exploration, development, and production activities have been issued to the following companies:

Company	Activity	Date issued
BP Exploration (Alaska) Inc.	Exploration	May 12, 1998.
Western Atlas Intl/ Western Geophysical.	Exploration	May 19, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. John W. Bridges at the U.S. Fish and Wildlife Service, Marine Mammals Management Office, 1011 East Tudor Road, Anchorage, Alaska 99503, (800) 362–5148 or (907) 786–3810.

SUPPLEMENTARY INFORMATION: Letters of Authorization were issued in accordance with U.S. Fish and Wildlife Service Federal Rules and Regulations ''Marine Mammals; Incidental Take During Specified Activities (58 FR 60402; November 16, 1993); modified and extended (60 FR 42805; August 17, 1995).''

Dated: May 21, 1998.

Robyn Thorson,

Acting Regional Director.

[FR Doc. 98–14861 Filed 6–8–98; 8:45 am]

BILLING CODE 4310–55–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CA–180–1430–01; CACA 3070]

Termination of Classification of Public Land for Recreation and Public Purposes and Opening Order; California

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: This notice terminates, in its entirety, the classification, dated April 9, 1976, which classified public land for lease for recreation and public purposes pursuant to the Recreation and Public Purposes Act of June 14, 1926, as amended (43 U.S.C 869 et seq.). The land will be opened to the operation of the public land laws including the mining laws, subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law. The land has been and remain open to the operation of the mineral leasing laws. The termination is necessary to facilitate the completion of a pending land exchange.

EFFECTIVE DATE: June 9, 1998.

FOR FURTHER INFORMATION CONTACT: Duane Marti, BLM California State Office (CA–931.4), 2135 Butano Drive, Sacramento, California 95825–0451; telephone number 916–978–4675.

SUPPLEMENTARY INFORMATION:

1. CACA 3070

T. 12 N., R. 10 E., Mount Diablo Meridian

Sec. 1, a portion of lot 1 described as beginning at the northeast corner of the parcel herein described, a 1½ inch capped iron pipe set on the easterly boundary of said section 1 from which the northeast corner of said section 1 bears N. 0°41′55″ E., 501.06 feet; thence from point of beginning and along the easterly boundary of said section 1, S. 0°41′55″ W., 344.43 feet, a similar pipe set on the northwesterly boundary of Wentworth Springs Road; thence along said boundary, S. 41°07′ W., 269.47 feet, a similar pipe; thence leaving said boundary, N 8°21′ W., 391.12 feet, a similar pipe; thence N. 56° 02′ E., 287.20 feet to the point of beginning.

The area described contains 1.853 acres in El Dorado County.

On April 9, 1976, the public land, as described above, was classified as suitable for lease under the Act of June 14, 1926, as amended (43 U.S.C 869 et seq.) The land was segregated from all

appropriation under the public land laws, including mineral location under the general mining laws. The land has been and will remain open to the mineral leasing laws.

2. Pursuant to the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1701 et seq.), and the regulations contained in 43 CFR 2091.7–1(b)(1)(iii), the classification, dated April 9, 1976, which classified the above described public land for lease for recreation and public purposes is hereby terminated in its entirety. The classification no longer serves a needed purpose as to the land described above.

3. At 10 a.m. on June 9, 1998, the public land, as described above, will be opened to the operation of the public land laws generally, subject to valid existing rights, the provision of existing withdrawals, other segregations of record, and the requirement of applicable law. All valid applications received at or prior to 10 a.m. on June 9, 1998 shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

4. At 10 a.m. on June 9, 1998, the public land, as described above, will be opened to location and entry under the United States mining laws, subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law. Appropriation of any of the land described in this notice under the general mining laws prior to the date and time of restoration is unauthorized. Any such attempted appropriation, including attempted adverse possession under 30 U.S.C. 38 (1994), shall vest no rights against the United States. Acts required to establish a location and to initiate a right of possession are governed by State law where not in conflict with Federal law. The Bureau of Land Management will not intervene in disputes between rival locators over possessory rights since Congress has provided for such determination in local courts.

Dated: June 2, 1998.

Al Wright,

Acting State Director.

[FR Doc. 98–15261 Filed 6–8–98; 8:45 am]

BILLING CODE 4310–40–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[NM–010–1430–01; NM 100216/G010–G8–0251]

Notice of Proposed Withdrawal and Opportunity for Public Meeting; New Mexico

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Land Management (BLM) proposes to withdraw 3,716.83 acres of public lands and 858.52 acres of federally reserved mineral interests underlying private surface estate in Sandoval and McKinley Counties to protect an area having high potential for development of a mineral material, humate (a carbonaceous shale). This notice closes 3,716.83 acres of public lands for up to 2 years from surface entry and mining and closes 858.52 acres of federally reserved mineral interests from mining under the United States mining laws, subject to valid existing rights. The lands will remain open to mineral leasing.

DATES: Comments and requests for a public meeting must be received by September 8, 1998.

ADDRESSES: Comments and requests for a public meeting should be sent to the Albuquerque Field Manager, BLM, 435 Montano NE., Albuquerque, New Mexico 87107.

FOR FURTHER INFORMATION CONTACT: Debby Lucero, BLM Albuquerque Field Office, (505) 761–8787.

SUPPLEMENTARY INFORMATION: On May 14, 1998, a petition was approved allowing the BLM to file an application to withdraw the following described public lands from settlement, sale, location, or entry under the general land laws, including the mining laws, subject to valid existing rights:

New Mexico Principal Meridian

T. 19 N., R. 4 W.
Sec. 4, lots 3 and 4, S½NW¼, and SE¼;
Sec. 6, lots 3 to 7, inclusive, SE¼NW¼, E½SW¼, SE¼;
Sec. 7, lots 1 and 4;
Sec. 8;
Sec. 9, N½, and SW¼;
Sec. 16, NE¼;
Sec. 17;
Sec. 18, E½.
T. 19 N., R. 5 W.
Sec. 5, SE¼;
Sec. 7, lots 1 and 2, E½, and E½NW¼.

The areas described aggregate 3,716.83 acres in Sandoval and McKinley Counties.

And to withdraw the following described mineral interests underlying private surface estate from mining under the United States mining laws, subject to valid existing rights:

T. 19 N., R. 4 W.
Sec. 6, lots 1 and 2, and S½NE¼;
Sec. 7, lots 2 and 3;
Sec. 9, SE¼.
T. 19 N., R. 6 W.
Sec. 10, W½, and W½E½.

The areas described aggregate 858.52 acres in Sandoval and McKinley Counties.

The purpose of the proposed withdrawal is to segregate the above described lands from mineral entry so a mineral material, humate (a carbonaceous shale) can be offered for sale.

For a period of 90 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the Albuquerque Field Manager of the Bureau of Land Management.

Notice is hereby given that an opportunity for a public meeting is afforded in connection with the proposed withdrawal. All interested persons who desire a public meeting for the purpose of being heard on the proposed withdrawal must submit a written request to the Albuquerque Field Manager within 90 days from the date of publication of this notice. Upon determination by the authorized officer that a public meeting will be held, a notice of the time and place will be published in the **Federal Register** at least 30 days before the scheduled date of the meeting.

The application will be processed in accordance with the regulations set forth in 43 CFR part 2300.

For a period of 2 years from the date of publication of this notice in the **Federal Register**, the land will be segregated as specified above unless the application is denied or canceled or the withdrawal is approved prior to that date. The temporary uses which may be permitted during this segregative period are licenses, permits, cooperative agreements, or discretionary land use authorizations of a temporary nature but only with the approval of an authorized officer of the Bureau of Land Management.

Dated: June 2, 1998.

Amy L. Lueders,

Acting Field Manager.

[FR Doc. 98–15262 Filed 6–8–98; 8:45 am]

BILLING CODE 4310–AG–P

DEPARTMENT OF THE INTERIOR

Minerals Management Service

Mid-term Assessment of the New Leases Provision in the Outer Continental Shelf (OCS) Deep Water Royalty Relief Act

AGENCY: Office of the Assistant Secretary, Land and Minerals Management.

ACTION: Notice of Workshop to discuss an assessment of the new leases provision of the OCS Deep Water Royalty Relief Act.

SUMMARY: Implementation of section 304 of the OCS Deep Water Royalty Relief Act (DWRRA), the provision related to OCS lease sales in the Gulf of Mexico (GOM) held after the date of enactment, is about at the half way point in its 5 year authorized period. The Assistant Secretary for Land and Minerals Management (ASLM) is the official responsible for administering and overseeing the offshore oil and gas program for the Secretary of the Interior (Secretary). The ASLM is interested in assessing the contribution that the new lease provision has made to the levels of bidding activity observed in the deep water areas of the GOM. Taken in conjunction with recent changes in technological development, market conditions, and a number of other factors prevalent in current deep water operations, the ASLM would like to determine whether modifications in the terms and conditions of deep water leases issued in 1999 and 2000 may be warranted. Additionally, the ASLM is interested in assessing whether the new lease provision should be continued beyond the current 5-year period, and if so, in what form. A public workshop will be held to discuss these issues.

DATES: Assistant Secretary Robert Armstrong will chair the workshop which will be held on Monday, June 29, 1998, from 1:00 p.m. to 5:30 p.m. Written comments received within 60 days after the workshop is held will be considered and made part of the record.

ADDRESSES: The workshop will be held at the Sheraton Crown Hotel & Conference Center, 15700 John F. Kennedy Blvd., Houston, Texas 77032. The telephone number is (281) 442–5100. Mail or hand carry comments to the Department of the Interior; Minerals Management Service; [Mail Stop 5114; 1201 Elmwood Park Blvd., New Orleans, Louisiana 70123; Attention: Thierry M. De Cort, Supervisor, Resource and Economic Analysis Unit, or send comments via e-mail to thierry.decort@mms.gov or Fax to (504)736–2905.]

FOR FURTHER INFORMATION CONTACT: Thomas R. Kitsos, Staff Assistant, Office of ASLM, at (202) 208–5220, e-mail to thomas.kitsos@mms.gov, or Fax to (202) 208–3144 or (202) 208–6243.

Background

On November 28, 1995, President Clinton signed Public Law 104–58, which included the DWRRA. The new law carries a number of discretionary and mandatory provisions related to the granting, by the Secretary, of royalty relief on existing and new deep water leases in the GOM, west of 87 degrees, 30 minutes west longitude. Section 304 of the DWRRA provides that all such leases offered in water at least 200 meters deep within 5 years of the date of enactment must be offered under a new bidding system established in section 303 (bonus bids with royalty suspensions for a period, volume, or value determined by the Secretary) and with mandatory minimum suspension royalty volumes of: 17.5 million barrels of oil equivalent (MMBOE) for leases in 200–400 meters of water; 52.5 MMBOE for leases in 400–800 meters; and 87.5 MMBOE for leases in more than 800 meters. The MMS issued an interim rule for new lease sales on March 25, 1996, and published a final rule on January 16, 1998.

As little as 5 years ago, technology for developing deep water projects was still in its infancy. At that time, there were only two platforms producing in water depths greater than 400 meters and development costs were expected easily to exceed $1 billion per project. The facility design and construction phase was expected to take two or three times that needed in shallow water and the hydrocarbon recovery period was expected to be much longer in deeper waters.

Since that time, and particularly in the 2½ years since enactment of the DWRRA, there have been dramatic changes in deep water exploration, development, and production. Industry has demonstrated that production rates can be high, improved technologies can reduce the costs of floating production systems, projects can get on line quickly, and geologic risk can be reduced primarily because of improved seismic imaging and processing tools.

Additionally, five extremely active OCS sales in which a number of leasing records were broken have been held since enactment of the DWRRA, and the experience and technological advances by the oil and gas industry in deep water operations in the GOM continue to grow.

On the other hand, the robust activity in the GOM which has led to many of these unanticipated and very positive developments also has resulted in some added costs. It appears, for example, that there has been a steep rise in the day rates for drilling rigs, crew and supply boats, and pipeline lay barges. Also, there is an apparent shortage of skilled, experienced personnel which is driving up the costs in the deep water and there is some recent indication that certain technological approaches may have run into costly problems. Finally, the price of oil, about one third lower than a year ago, adds to the uncertainties in deep water development.

The mandatory minimum royalty relief provided to newly leased fields under section 304 of the DWRRA can be substantial. For example, ultra deep water fields at 800 meters or deeper are entitled to royalty free production of a minimum of 87.5 million barrels. Assuming a well-head price (gross price minus transportation and processing costs for some gas) of $16 per barrel of oil ($2.15 per mcf of gas), the operators of an oil field at that depth would be able to produce about $1.4 billion in gross value of energy ($1.1 billion for a gas field) without paying royalty to the Federal Government. The standard 1/8th royalty rate for development at this depth would result in a royalty payment of some $175 million for an oil field ($138 million for a gas field), which represents the amount of royalty not paid under the terms of the DWRRA.

In view of these developments, deep water production may be more economic than first anticipated. Consequently, deep water fields leased since enactment of the DWRRA may be benefitting from royalty relief beyond simply the recoupment of capital costs, which was the original intent of the Act. The ASLM wants to assess this situation as decisions are made on terms and conditions for future lease sales and in anticipation of the end of the 5-year period of mandatory relief for new leases.

Under the OCS Lands Act (OCSLA), the Secretary is directed to carry out an offshore energy development program that, among many goals, assures ''receipt of fair market value for the lands leased and the rights conveyed by the Federal Government.''

A concern of the ASLM is whether bidders, particularly those bidding at or near the per acre minimum for deep water tracts, are acquiring large amounts of acreage to ''bank'' them as options rather than for near term exploration and development. Such a strategy, if being practiced, may be at odds with the

Secretary's responsibility to assure receipt of fair market value, increases the post sale tract evaluation workload on MMS, precludes other companies from acquiring and possibly exploring the tract for many years, and fails to result in expeditious development.

Given this mix of policy concerns regarding deep water leasing issues, the ASLM believes that a workshop held with industry at the half-way point of the new lease provision is desirable. This workshop will review, among other factors, the state of knowledge about deep water exploration and production profitability today in comparison with what was anticipated at the time the suspension volumes were developed. In particular, industry and MMS will participate in a series of presentations addressing the following issues:

—General economic parameters (e.g., well rates, average finding and other costs, production times, rates of return) in the GOM; and

—Technological developments (e.g., seismic acquisition and processing, production facility design, subsea completions).

Moreover, through these presentations, the ASLM is seeking information that will allow him to answer the following questions:

—To what extent has section 304 of the DWRRA contributed to the increased bidding activity observed for the last five lease sales?

—What refinements, if any, should be made in lease terms and conditions for the remainder of the 5-year new lease provision?

—At the end of the five year authorization period for section 304, should MMS continue to offer leases with royalty suspensions and why—or why not? If yes, should the terms of the suspension (period, volume or value) or other financial terms be modified at that time?

—To what extent, if any, is option bidding occurring on deep water tracts?

—If some option bidding is occurring, is it having a beneficial or adverse impact on the Secretary's ability to assure a fair return to the public for its resources, on energy markets, and on the national economy?

—With respect to leasing in the deep water of the GOM, to what extent, if any, should MMS modify its lease terms to assure a fair return to the public for its resources and to lessen any adverse impacts that option bidding may be having on the economy?

—How does the deep water of the GOM currently compare in the global market to other areas, both offshore and onshore, with respect to its attractiveness for investment?

Additional Information

1. An agenda of scheduled workshop presentations and times will be available through the Minerals Management Service on the MMS homepage approximately 1 week before the workshop.

2. The next Western Gulf of Mexico sale, Lease Sale 171, scheduled for August 26, 1998, in New Orleans, will not be affected in any way by the workshop.

Dated: June 3, 1998.

Bob Armstrong,

Assistant Secretary, Land and Minerals Management.

[FR Doc. 98–15283 Filed 6–8–98; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF THE INTERIOR

National Park Service

National Register of Historic Places; Notification of Pending Nominations

Nominations for the following properties being considered for listing in the National Register were received by the National Park Service before MAY 30, 1998. Pursuant to section 60.13 of 36 CFR Part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded to the National Register, National Park Service, 1849 C St. NW, NC400, Washington, DC 20240. Written comments should be submitted by June 24, 1998.

Beth Savage,

Acting Keeper of the National Register.

ALABAMA

Jefferson County

Downtown Birmingham Retail and Theatre Historic District (Boundary Increase), 1914, 1917, 1919, 1930 4th Ave., N., Birmingham, 98000709

Lawrence County

Courtland Historic District (Boundary Increase), Roughly bounded by Clinton, Madison, Van Buren, Jefferson, Ussery, Tennessee, Monroe and Academy Sts., Courtland, 98000710

Wilcox County

Oak Hill Historic District, Area around Jct. AL 10 and Al 21, Oak Hill, 98000711

CALIFORNIA

Los Angeles County

Golden State Mutual Life Insurance Building, 4261 S. Central Ave., Los Angeles, 98000712

Yolo County

Davis Subway, Richards Blvd. between Olive Dr. and 1st St., Davis, 98000713

FLORIDA

Glades County

Moore Haven Residential Historic District, Roughly bounded by Ave. J to Ave. M and 1st to 5th Sts., Moore Haven, 98000714

GEORGIA

Newton County

Starrsville Historic District, Jct. GA 213, Old Starsville and Dixie Rds., Starrsville, 98000715

IOWA

Adair County

Adair Viaduct (Highway Bridges of Iowa MPS) Business 80 over IAIS RR, Adair, 98000775

Adams County

Snider Bridge (Highway Bridges of Iowa MPS) 220th St. over unnamed stream, Corning vicinity, 98000774

Allamakee County

Monsrud Bridge (Highway Bridges of Iowa MPS) Swebakken Rd. over Paint Cr., Waterville vicinity, 98000771

Red Bridge (Highway Bridges of Iowa MPS) Fuel Hollow Rd. over Yellow R., Postville vicinity, 98000773

Upper Iowa River Bridge (Highway Bridges of Iowa MPS) Mays Prairie Rd. over Upper Iowa R., Dorchester vicinity, 98000772

Benton County

Shellsburg Bridge (Highway Bridges of Iowa MPS) Pearl St. over Bear Cr., Shellsburg, 98000770

Black Hawk County

Crane Creek Bridge (Highway Bridges of Iowa MPS) Marquis Rd. over Crane Cr., Waterloo vicinity, 98000769

Dunkerton Bridge (Highway Bridges of Iowa MPS) Town street over Crane Cr., Dunkerton, 98000768

Boone County

Beaver Creek Bridge (Highway Bridges of Iowa MPS) 210th St. over Beaver Cr., Ogden vicinity, 98000762

Big Creek Bridge (Highway Bridges of Iowa MPS) 2110 300th St. over Big Cr., Madrid vicinity, 98000766

Big Creek Bridge 2 (Highway Bridges of Iowa) 2130 320th St. over Big Cr., Madrid vicinity, 98000767

Boone Bridge (Highway Bridges of Iowa MPS) Old US 30 over Des Moines R., Boone vicinity, 98000761

Boone Bridge 2 (Highway Bridges of Iowa MPS) 1000 200th St. over Des Moines R., Boone vicinity, 98000765

Squaw Creek Bridge (Highway Bridges of Iowa MPS) 120th St. and V Ave. over Squaw Cr., Ridgeport vicinity, 98000763

Squaw Creek Bridge 2 (Highway Bridges of Iowa MPS) 110th St. and V Ave. over Squaw Cr., Ridgeport vicinity, 98000764

Bremer County

Green Mill Ford Bridge (Highway Bridges of Iowa MPS) County road over Cedar R., Janesville vicinity, 98000760

Buchanan County

280th Street Bridge (Highway Bridges of Iowa MPS) 280th St. over unnamed stream, Independence vicinity, 98000756
Otter Creek Bridge (Highway Bridges of Iowa MPS) 105th St. over Otter Cr., Hazleton vicinity, 98000757
Otterville Bridge (Highway Bridges of Iowa MPS) Bordner Dam Rd. over Wapsipinicon R., Independence vicinity, 98000759
Taylor's Ford Bridge (Highway Bridges of Iowa MPS) Nolen Ave. over Wapsipinicon R., Independence vicinity, 98000755
Wapsipinicon River Bridge (Highway Bridges of Iowa MPS) IA 150 over Wapsipinicon R., Independence, 98000758

Buena Vista County

Brooke Creek Bridge (Highway Bridges of Iowa MPS) 470th St. over Brooke Cr., Sioux Rapids vicinity, 98000754

Butler County

Cherry Street Bridge (Highway Bridges of Iowa MPS) Cherry St. over tributary of Shell Rock R., Shell Rock, 98000753

Calhoun County

Rockwell City Bridge (Highway Bridges of Iowa MPS) 270th St. over unnamed stream, Rockwell City, 98000752
Welsh Bridge (Highway Bridges of Iowa MPS) 1st Ave. over Welsh's Slough, Somers, 98000751

Carroll County

Coon Rapids Bridge (Highway Bridges of Iowa MPS) Sumpter Ave. over Middle Raccoon R., Coon Rapids, 98000745
Kittyhawk Avenue Bridge (Highway Bridges of Iowa MPS) Kittyhawk Ave. over unnamed stream, Carroll vicinity, 98000749
Olympic Avenue Bridge (Highway Bridges of Iowa MPS) Olympic Avenue over unnamed stream, Carroll vicinity, 98000747
Quail Avenue Bridge (Highway Bridges of Iowa MPS) Quail Ave. over unnamed stream, Carroll vicinity, 98000750
Robin Avenue Bridge (Highway Bridges of Iowa MPS) Robin Ave. over unnamed stream, Carroll vicinity, 98000748
Storm Creek Bridge (Highway Bridges of Iowa MPS) Phoenix Ave. over Storm Cr., Carroll vicinity, 98000744
Storm Creek Bridge 2 (Highway Bridges of Iowa MPS) 190th St. over Storm Cr., Carroll vicinity, 98000746

Cedar County

Mill Creek Bridge (Highway Bridges of Iowa MPS) Plum St. over Mill Cr., Clarence vicinity, 98000743

Cerro Gordo County

Rock Falls Bridge (Highway Bridges of Iowa MPS) Spring St. over Shell Rock R., Rock Falls, 98000742
State Street Bridge (Highway Bridges of Iowa MPS) E. State St. over Willow Cr., Mason City, 98000740
Stewart Avenue Bridge (Highway Bridges of Iowa MPS) North Carolina Ave. over Winnebago R., Mason City, 98000741
Winnebago River Bridge (Highway Bridges of Iowa MPS) US 65 over Winnebago R., Mason City vicinity, 98000812

Cherokee County

Mill Creek Bridge (Highway Bridges of Iowa MPS) Old IA 21 over Mill Cr., Cherokee vicinity, 98000811

Clay County

Little Sioux River Bridge (Highway Bridges of Iowa MPS) 210th Ave. over Little Sioux R., Spencer vicinity, 98000810

Clayton County

Bridge (Highway Bridges of Iowa MPS) County road over unnamed stream, Elkader vicinity, 98000804
Dry Run Bridge (Highway Bridges of Iowa MPS) Town street over Dry Run, Littleport, 98000803
Garnavillo Township Culvert (Highway Bridges of Iowa MPS) County road over unnamed stream, Garnavillo vicinity, 98000805
Garnavillo Township Bridge (Highway Bridges of Iowa MPS) County road over unnamed stream, Garnavillo vicinity, 98000807
Mallory Township Bridge (Highway Bridges of Iowa MPS) County road over unnamed stream, Osterdock vicinity, 98000809
Mederville Bridge (Highway Bridges of Iowa MPS) County road over Volga R., Mederville, 98000808
Monona Township Culvert (Highway Bridges of Iowa MPS) County road over unnamed stream, Luana vicinity, 98000806

Clinton County

Ames Creek Bridge (Highway Bridges of Iowa MPS) 300th St. over Ames Cr., De Witt vicinity, 98000802

Crawford County

Beaver Creek Bridge (Highway Bridges of Iowa MPS) 180th St. between B and C Aves. over Beaver Cr., Schleswig vicinity, 98000799
Buck Grove Bridge (Highway Bridges of Iowa MPS) Buck Creek Ave. over Buck Cr., Buck Grove, 98000797
East Soldier River Bridge (Highway Bridges of Iowa MPS) 120th St. over East Soldier R., Charter Oak vicinity, 98000798
Nishnabotna River Bridge (Highway Bridges of Iowa MPS) T Ave. over Nishnabotna R., Manilla vicinity, 98000801
Yellow Smoke Park Bridge (Highway Bridges of Iowa MPS) Pedestrian path over unnamed stream, Denison, 98000800

Dallas County

Beaver Creek Bridge (Highway Bridges of Iowa MPS) M Ave. over Beaver Cr., Perry vicinity, 98000796

Davis County

Clay Avenue Bridge (Highway Bridges of Iowa MPS) Clay Ave. and 118th St. over intermittent stream, Drakesville vicinity, 98000795

Decatur County

Grand River Bridge (Highway Bridges of Iowa MPS) County road over Grand R., Leon vicinity, 98000794

Des Moines County

Cascade Bridge (Highway Bridges of Iowa MPS) S. Main St. over Cascade Ravine, Burlington, 98000793
Flint River Bridge (Highway Bridges of Iowa MPS) 155th St. over Flint R., Burlington vicinity, 98000792
Hawkeye Creek Bridge (Highway Bridges of Iowa MPS) Hawkeye Rd. over Hawkeye Cr., Mediapolis vicinity, 98000790
Yellow Spring Creek Bridge (Highway Bridges of Iowa MPS) Sperry Rd. over Yellow Spring Cr., Mediapolis vicinity, 98000791

Dickinson County

Okoboji Bridge (Highway Bridges of Iowa MPS) 180th Ave. over branch of Little Sioux R., Milford vicinity, 98000789

Dubuque County

Washington Mill Bridge (Highway Bridges of Iowa MPS) Creek Branch Ln. over Lytle Cr., Bernard vicinity, 98000788
White Water Creek Bridge (Highway Bridges of Iowa MPS) Whitewater Rd. over White Water Cr., Bernard vicinity, 98000787

Fayette County

Eldorado Bridge (Highway Bridges of Iowa MPS) State St. over Turkey R., Eldorado, 98000783
Mill Race Bridge (Highway Bridges of Iowa MPS) Pheasant Rd. over Turkey R., West Union vicinity, 98000784
Otter Creek Bridge (Highway Bridges of Iowa MPS) 40th St. over Otter Cr., Oelwein vicinity, 98000781
Stoe Creek Bridge (Highway Bridges of Iowa MPS) V Ave. over Stoe Cr., Oelwein vicinity, 98000782
Sumner Bridge (Highway Bridges of Iowa MPS) 160th St. over Little Wapsipinicon R., Sumner, 98000785
Twin Bridge (Highway Bridges of Iowa MPS) 130th St. over Little Volga R., Fayette vicinity, 98000779
Vine Street Bridge (Highway Bridges of Iowa MPS) South Vine St. over Otter Cr., West Union, 98000780
West Auburn Bridge (Highway Bridges of Iowa MPS) Near Neon Rd. over Turkey R., West Union vicinity, 98000786

Floyd County

Hawkeye Street Underpass (Highway Bridges of Iowa MPS) South Hawkeye St. under RR, Nora Springs, 98000777
River Street Bridge (Highway Bridges of Iowa MPS) River St. over drainage ditch, Marble Rock, 98000778

Hamilton County

Albright Bridge (Highway Bridges of Iowa MPS) 130th St. at 510th Ave. over Boone R., Webster City vicinity, 98000776

MAINE

Hancock County

Union Church of Northeast Harbor, 21 Summit Rd., Northeast Harbor, 98000722

Lincoln County

Union Church, E. side ME 32, .05 miles S. of jct. with Back Shore Rd., Round Pond, 98000723

Oxford County

Middle Intervale Meeting House and Common, 757 Intervale Rd., Bethel vicinity, 98000721

Piscataquis County

Observer Building, 126 Union Sq., Dover-Foxcroft, 98000724

MINNESOTA

Hennepin County

Westminster Presbyterian Church, 83 12th St. S., Minneapolis, 98000716

Koochiching County

Bridge No. 5721 (Iron and Steel Bridges in Minnesota MPS) MN 65 over Little Fork R., Silverdale vicinity, 98000717

Meeker County

Bridge No. 5388 (Iron and Steel Bridges in Minnesota MPS) MN 24 over North Fork Crow R., Kingston vicinity, 98000718

Rice County

Bridge No. 8096 (Reinforced-Concrete Highway Bridges in Minnesota MPS) MN 19 over Spring Cr., Northfield, 98000719

St. Louis County

Bridge No. 5757 (Iron and Steel Bridges in Minnesota MPS) MN 23 over Mission Cr., Duluth, 98000720

MISSOURI

St. Louis Independent City Cupples Warehouse District, Roughly Spruce and Clark Sts. between Seventh and Eleventh Sts., St. Louis (Independent City), 85003615

NORTH CAROLINA

Forsyth County

Brown, W.C., Apartment Building (African-American Neighborhoods in Northeastern Winston-Salem MPS) 311–317 E. 7th St., Winston-Salem, 98000725

Craver Apartment Building (African-American Neighborhoods in Northeastern Winston-Salem MPS) 706–712 Chestnut St., Winston-Salem, 98000726

Goler Memorial African Methodist Episcopal Zion Church (African-American Neighborhoods in Northeastern Winston Salem MPS) 630 Patterson Ave., Winston-Salem, 98000727

Lloyd Presbyterian Church (African-American Neighborhoods in Northeastern Winston-Salem MPS) 748 Chestnut St., Winston-Salem, 98000728

Robinson, A., Building (African-American Neighborhoods in Northeastern Winston-Salem MPS) 707–709 Patterson Ave., Winston-Salem, 98000729

Haywood County

Smathers, Frank, House, 724 Smathers St., Waynesville, 98000730

Polk County

Friendly Hills, 140 Country Club Rd., Tryon vicinity, 98000731

OHIO

Lucas County

Madison Avenue Historic District, Roughly bounded by Madison, Adams and Huron Sts., Toledo, 86003829

OKLAHOMA

Lincoln County

Prague City Hall and Jail, 1116 Jim Thorpe Blvd., Prauge, 98000732

McIntosh County

Checotah City Hall, 201 N. Broadway, Checotah, 98000733

Okfuskee County

Okemah Armory, 405 N. 6th St., Okemah, 98000734

TEXAS

Tarrant County Original Town Residential Historic District (Grapevine MPS) Roughly bounded by Texas, Austin, Hudgins and Jenkins Sts., Grapevine, 98000736

VIRGINIA

Alleghany County

Luke Mountain Historic District, Luke Mountain Rd., Covington vicinity, 98000737

Rosedale Historic District, Roughly bounded by US 60, Jackson R. and Luke's Mountain, Covington vicinity, 98000738

Richmond Independent City Grace Street Commercial Historic District, Roughly bounded by Adams, Broad, 8th and Franklin Sts., Richmond, 98000739

[FR Doc. 98–15300 Filed 6–8–98; 8:45 am]

BILLING CODE 4310–70–P

DEPARTMENT OF JUSTICE

Office of the Assistant Attorney General for Civil Rights; Certification of the State of Florida Accessibility Code for Building Construction Under the Americans With Disabilities Act

AGENCY: Department of Justice.

ACTION: Notice of certification.

SUMMARY: The Department of Justice has certified that the Florida Americans with Disabilities Accessibility Implementation Act, Florida Statutes §§ 553.501–553.514, as implemented by the Florida Accessibility Code for Building Construction, meets or exceeds the new construction and alterations requirements of title III of the Americans with Disabilities Act (ADA).

DATES: June 9, 1998.

ADDRESSES: Inquiries may be addressed to: John L. Wodatch, Chief, Disability Rights Section, Civil Rights Division, U.S. Department of Justice, P.O. Box 66738, Washington, DC 20035–6738.

FOR FURTHER INFORMATION CONTACT: John L. Wodatch, Chief, Disability Rights Section, Civil Rights Division, U.S. Department of Justice, P.O. Box 66738, Washington, DC 20035–6738. Telephone number (800) 514–0301 (Voice) or (800) 514–0383 (TDD).

Copies of this notice are available in formats accessible to individuals with vision impairments and may be obtained by calling (800) 514–0301 (Voice) or (800) 514–0383 (TDD).

SUPPLEMENTARY INFORMATION:

Background

The ADA authorizes the Department of Justice, upon application by a State or local government, to certify that a State or local law that establishes accessibility requirements meets or exceeds the minimum requirements of title III of the ADA for new construction and alterations. 42 U.S.C. § 12188(b)(1)(A)(ii); 28 CFR 36.601 *et seq*. Certification constitutes rebuttable evidence, in any ADA enforcement action, that a building constructed or altered in accordance with the certified code complies with the new construction and alterations requirements of title III of the ADA.

By letter dated February 2, 1994, the Florida Department of Community Affairs requested that the Department of Justice (Department) certify that the Florida Americans with Disabilities Accessibility Implementation Act, Florida Statutes §§ 553.501–553.514, as implemented by the Florida Accessibility Code for Building Construction (together, the ''Florida law''), meets or exceeds the new construction and alterations requirements of title III of the ADA.

The Department analyzed the Florida law, and made a preliminary determination that it meets or exceeds the new construction and alterations requirements of title III of the ADA. By letter dated September 30, 1997, the Department notified the Florida Department of Community Affairs of its preliminary determination of equivalency.

On October 23, 1997, the Department published notices in the **Federal Register** announcing its preliminary determination of equivalency and requesting public comments thereon. The period for submission of written comments ended on December 22, 1997. In addition, the Department held public hearings in Orlando, Florida on December 19, 1997, and in Washington, DC on December 22, 1997.

Ten individuals submitted comments. The commenters included government officials, disability rights advocates, design professionals, and other interested individuals. The Department has analyzed all of the submitted comments and has consulted with the

U.S. Architectural and Transportation Barriers Compliance Board.

The majority of the comments supported certification of the Florida law. Three commenters, while not opposing certification of the Florida law, suggested that there exists a conflict between the Florida law and the ADA because section 553.509 of the Florida Statutes and sections 4.1.2, 4.1.3, 4.1.6 and 5.4 of the Florida Accessibility Code for Building Construction (Code) exempt from the requirement of vertical accessibility ''[o]ccupiable spaces and rooms that are not open to the public and that house no more than five persons * * *'' (e.g., equipment control rooms, projection booths) whereas the ADA Standards for Accessible Design (Standards) may require vertical accessibility (e.g., work areas). Because section 553.509 of the Florida Statutes and sections 4.1.2, 4.1.3, 4.1.6 and 5.4 of the Florida Code provide that ''buildings, structures, and facilities must, at a minimum, comply with the requirements'' of the ADA Standards, and because sections 4.1.2, 4.1.3, 4.1.6 and 5.4 of the Florida Code further provide that ''facilities subject to the ADA may be required to provide vertical access to areas otherwise exempt under 4.1.3(5)(3)'' of the Florida Code, there is no conflict between the Florida law and the ADA.

One comment opposed certification on the ground that the Florida law exempts churches. Because coverage of churches is neither required nor prohibited by the ADA, such coverage does not preclude certification.

Based on these comments, the Department has determined that the Florida law is equivalent to the new construction and alterations requirements of title III of the ADA. Therefore, the Department has informed the submitting official of its decision to certify the Florida law.

Effect of Certification

The certification determination is limited to the version of the Florida law that has been submitted to the Department. The certification will not apply to amendments or interpretations that have not been submitted and reviewed by the Department.

Certification will not apply to buildings constructed by or for State or local government entities, which are subject to title II of the ADA. Nor does certification apply to accessibility requirements that are addressed by the Florida law that are not addressed by the ADA Standards.

Finally, certification does not apply to variances or waivers granted under the Florida law. Therefore, if a builder receives a variance, waiver, modification, or other exemption from the requirements of the Florida law for any element of construction or alterations, the certification determination will not constitute evidence of ADA compliance with respect to that element.

Dated: May 27, 1998.

Bill Lann Lee,

Acting Assistant Attorney General for Civil Rights.

[FR Doc. 98–15208 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–13–M

DEPARTMENT OF JUSTICE

Notice of Consent Decree Under the Clean Air Act, the Resource Conservation and Recovery Act, and the Emergency Planning and Community Right-to-Know Act

Notice is hereby given that a consent decree in *United States* v. *American Insulated Wire Corp.*, Civil Action No. 98CV10993NG (D. Mass.) was lodged with the United States District Court for the District of Massachusetts on May 26, 1998.

In this action the United States sought injunctive relief and civil penalties under Section 113(b) of the Clean Air Act (''CAA''), 42 U.S.C. 7413(b), Sections 3008 (a) and (g) of the Resource Conservation and Recovery Act (''RCRA''), 42 U.S.C. 6928 (a) and (g), and Section 325(c)(1) and (4) of the Emergency Planning and Community Right-to-Know Act (''EPCRA''), 42 U.S.C. 11045(c) (1) and (4), against American Insulated Wire Corp. (''AIW''). The alleged violations include failure to obtain permits required under the CAA, failure to comply with various hazardous waste handling requirements under RCRA (*e.g.*, failure to keep hazardous waste containers labelled, marked and closed as required; failure to conduct weekly inspections), and failure to make complete and accurate reports required under EPCRA. The consent decree resolves these claims.

The consent decree requires AIW: to comply with the Clean Air Act, RCRA, and EPCRA; to pay a civil penalty to the United States of $1,400,000; and to implement two supplemental environmental projects (''SEPs'') at an estimated cost of $994,475. The first SEP requires AIW to retrofit the oil-fired boilers that provide power to the facility to burn natural gas as well, and to burn only natural gas during the period from May 1 through September 30 for two consecutive years. The second SEP requires AIW to construct a closed-loop wastewater treatment and recycling system at the facility.

The Department of Justice will accept written comments relating to the proposed consent decree for thirty (30) days from the date of publication of this notice. Please address comments to the Assistant Attorney General, Environment and Natural Resources Division, Department of Justice, P.O. Box 7611, Ben Franklin Station, Washington, D.C. 20044 and refer to *United States* v. *American Insulated Wire Corp.* (D. Mass.), DJ #90–7–1–903.

Copies of the proposed consent decree may be examined at the Office of the United States Attorney, 1003 J.W. McCormack P.O. & Courthouse, Boston, MA 02109; at the U.S. Environmental Protection Agency, Region I, One Congress Street, Boston, Massachusetts 02203; and at the Consent Decree Library, 1120 G Street, NW, 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the consent decree may also be obtained in person or by mail at the Consent Decree Library, 1120 G Street, NW, 4th Floor, Washington, DC 20005. When requesting a copy of the consent decree by mail, please enclose a check in the amount of $6.50 (twenty-five cents per page reproduction costs) payable to the ''Consent Decree Library.''

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division, U.S. Department of Justice.

[FR Doc. 98–15330 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, and Section 122 of CERCLA, 42 U.S.C. § 9622, notice is hereby given that on May 29, 1998, a proposed *De Minimis* Consent Decree in *United States* v. *Kux Manufacturing, et. al.*, Civil Action No. 98–72189 was lodged with the United States District Court for the Eastern District of Michigan, Southern Division. This consent decree represents a settlement of claims of the United States against Kux Manufacturing, Eppinger Manufacturing Company, MascoTech Coatings, Inc., f/k/a Vacumet Finishing, Seaman Industries, Inc., A.T. Wagner Company, Metamora Products, Inc., Conwed Corporation, Aircraft Specialties Inc., Albar Industries, Inc., and Precision Coatings, Inc., for

reimbursement of response costs and injunctive relief in connection with the Metamora Landfill Superfund Site (''Site'') pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 *et seq.*

Under this settlement with the United States the ten parties will pay a total of $1,026,221 in reimbursement of response costs incurred by the United States Environmental Protection Agency at the Site.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the proposed Consent Decree. Comments should be addressed to the Assistant Attorney General of the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States* v. *Kux Manufacturing, et. al.*, D.J. Ref. 90–11–3–289L.

The proposed Consent Decree may be examined at the Office of the United States Attorney, Eastern District of Michigan, Southern Division, 211 West Fort Street, Suite 2300, Detroit, MI 48226, at the Region 5 Office of the Environmental Protection Agency, 77 West Jackson Street, Chicago, Illinois 60604–3590, and at the Consent Decree Library, 1120 G Street, NW, 4th Floor, Washington, D.C. 20005, (202) 624–0892. A copy of the proposed Consent Decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, NW, 4th Floor, Washington, DC 20005. In requesting a copy, please enclose a check in the amount of $8.25 (25 cents per page reproduction cost) payable to the Consent Decree Library.

Bruce Gelber,

Deputy Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–15332 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that on May 28, 1998, three proposed consent decrees in *United States* v. *The Monsanto Company, et al.*, Civil Action No. 4:95–CV–969 CEJ, were lodged with the United States District Court for the Eastern District of Missouri. Under the consent decrees, the defendants, the Monsanto Company, Union Pacific Railroad Company, AlliedSignal, Inc. and Superior Oil Company, Inc. will pay a total of $600,000 in reimbursement of costs incurred by the United States in response to releases of hazardous substances at the former site of the Thompson Chemical Company in St. Louis, Missouri.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decrees. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States* v. *Monsanto, et al.*, DOJ Ref. #90–11–2–1089.

The proposed consent decrees may be examined at the office of the United States Attorney, Eastern District of Missouri, 1114 Market Street, St. Louis, Missouri 63101; the Region 7 Office of the Environmental Protection Agency, 726 Minnesota Avenue, Kansas City, KS 66101, and at the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the proposed consent decrees may be obtained in person or by mail from the Consent Decree Library. In requesting a copy please refer to the referenced case, indicate which consent decrees you wish to receive, and enclose a check in the appropriate amount. The copying charges for the consent decrees are as follows (25 cents per page reproduction costs): $4.50 for the consent decree with Superior, $4.75 for the consent decree with Monsanto and AlliedSignal, and $4.50 for the consent decree with Union Pacific. Make checks payable to the Consent Decree Library.

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–15331 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Clean Air Act (''CAA'')

Consistent with the policy set forth in the Department of Justice regulations at 28 CFR 50.7, notice is hereby given that on May 20, 1998, a proposed Consent Decree was lodged with the United States District Court for the Southern District of Illinois, in *United States* v. *National Steel Corporation*, Civil Action No. 97–850 (GPM). The proposed Consent Decree settles claims asserted by the United States, on behalf of the United States Environmental Protection Agency, pursuant to Section 113(b) of the Clean Air Act, 42 U.S.C. 9613(b), in connection with operation of National Steel's steel manufacturing facility in Granite City, Illinois.

The Consent Decree requires National Steel to pay $546,700 in civil penalties for alleged violation of opacity limits applicable to basic oxygen furnace operations in the federally enforceable Illinois State Implementation Plan (''SIP''), as well as violations of SIP permit conditions and emission limits and National Emissions Standards for Hazardous Air Pollutants (''NESHAP'') applicable to certain operations at National Steel's coke manufacturing plant in Granite City. The proposed Decree also requires National Steel to perform two supplemental environmental projects.

The Department of Justice will receive written comments relating to the proposed Consent Decree for thirty (30) days from the date of publication of this notice. Comments should be directed to the Assistant Attorney General, Environment and Natural Resources Division, U.S. Department of Justice, Washington, DC 20530, and should refer to *United States* v. *National Steel Corporation*, DOJ Reference #90–5–2–1–2108.

The proposed Consent Decree may be examined at the Office of the United States Attorney for the Southern District of Illinois, 9 Executive Drive, Suite 300, Fairview Heights, Illinois 62208, at the offices of the U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604–3590, and at the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the proposed Consent Decree may be obtained in person or by mail from the Consent Decree Library. In requesting a copy, please enclose a check in the amount of $5.50 (25 cents per page reproduction cost) payable to the Consent Decree Library.

Bruce S. Gelber,

Deputy Chief, Environmental Enforcement Section.

[FR Doc. 98–15210 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Under the Safe Drinking Water Act

In accordance with Department of Justice policy, 28 C.F.R. 50.7, notice is hereby given that on May 20, 1998, a proposed Consent Decree in *United States and State of New York* v. *City of New York and New York Department of*

Environmental Protection, Civil Action No. CV 97–2154 (Gershon, J.) (Gold, M.J.), was lodged with the United States District Court for the Eastern District of New York.

In this action against the City, in which the State intervened, the United States sought a court order requiring the City to come into compliance with the Safe Drinking Water Act, 42 U.S.C. 300f, *et seq*., and the Surface Water Treatment Rule, a National Primary Drinking Water Regulation, by installing filtration treatment for its Croton Water Supply System. Under the Consent Decree, the City is obligated to install filtration by constructing filtration facilities no later than September 2006, with full operation of the facilities in compliance with the Surface Water Treatment Rule, by no later than March 2007. The Consent Decree sets forth a schedule for meeting these deadlines, including timetables for the City to select a site(s) for the facilities in accordance with state environmental review procedures. Under the Consent Decree, the City is also obligated to monitor the quality of the drinking water supply until filtration is installed, and take other measures to protect the Croton Watershed. In addition, the City will pay a civil penalty of $1 million, and will spend $5 million on environmentally beneficially projects that protect the Croton Watershed and that may include projects within the community or communities where the filtration facilities will be constructed to mitigate or offset any potential environmental impacts on the community.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the Consent Decree. Comments should be addressed to the Assistant Attorney General of the Environment and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to Civil Action No. CV 97–2154 and D.J. Ref. 90–5–1–1–4429.

The Consent Decree may be examined at the Office of the United States Attorney for the Eastern District of New York, One Pierrepont Plaza, 14th Floor, Brooklyn, New York 11201, at U.S. EPA Region 2, 290 Broadway, New York, New York 10271 and at the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005, (202) 624–0892. A copy of the Consent Decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005.

In requesting a copy, please enclose a check in the amount of $18.00 (25 cents per page reproduction cost) payable to the Consent Decree Library.

Bruce S. Gelber,

Deputy Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–15211 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation and Liability Act

In accordance with the policy of the Department of Justice, notice is hereby given that a proposed consent decree in *United States* v. *Western Processing Co., et al.*, Civ. No. C83–252M, was lodged with the United States District Court for the Western District of Washington, on May 26, 1998. That action was brought against defendants pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) for payment of past costs incurred, and future costs to be incurred, by the United States at the Western Processing Superfund Site in Kent, Washington. (The site is being cleaned up and some past costs have already been recovered pursuant to four prior settlements.) This decree requires RSR Corporation to pay $875,884.00 over three years, with interest, in satisfaction of the United States claims against it for response costs incurred in connection with the site between January 1, 1992 and December 31, 1996. RSR Corporation remains liable for response costs incurred after that date. The United States is also continuing to pursue other defendants to recover past and future costs.

The Department of Justice will receive comments relating to the proposed consent decree for a period of 30 days from the date of this publication. Comments should be addressed to the Assistant Attorney General of the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530. All comments should refer to *United States* v. *Western Processing Co., et al.*, D.J. Ref. 90–7–1–233.

The proposed consent decree may be examined at the office of the United States Attorney for the Western District of Washington, 3600 Seafirst 5th Avenue Plaza, 800 5th Avenue, Seattle, Washington 98104; at the Region X office of the Environmental Protection Agency, 1200 Sixth Avenue, Seattle, Washington 98101; and at the Consent Decree Library, 1120 G Street, NW., 4th floor, Washington, DC 20005, 202–624–0892. A copy of the proposed consent decree may be obtained in person or by mail from the Consent Decree Library. In requesting a copy, please enclose a check in the amount of $4.00 (25 cents per page reproduction costs) payable to the Consent Decree Library. When requesting a copy, please refer to *United States* v. *Western Processing Co., et al.*, D.J. Ref. 90–7–1–233.

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–15212 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Antitrust Division

Proposed Modified Final Judgment and Memorandum in Support of Modification

Notice is hereby given that Modified Final Judgment, Motion to Modify Final Judgment, Memorandum in Support of the Modification of the Final Judgment, Stipulation and Order, and Hold Separate Stipulation and Order have been filed with the United States District Court in the District of Columbia, in *United States et al* v. *USA Waste Services, Inc., et al.*, Civil No. 96–2031.

The existing Final Judgment stems from a 1996 acquisition of Sanifill, Inc., by USA Waste. The Final Judgment was entered to resolve competitive concerns that the Antitrust Division had about the impact of the acquisition in Houston, Texas. Pursuant to the Final Judgment, USA Waste divested Sanifill's small container commercial hauling assets and a USA Waste disposal site in Houston and sold 2,000,000 tons of air space rights for ten years at two USA Waste landfills in the Houston area. The assets were purchased by TransAmerican Waste Industries, Inc. On January 26, 1998, TransAmerican and USA Waste entered into an agreement whereby TransAmerican would be merged into USA Waste, and the Houston assets TransAmerican purchased from USA Waste would be owned by USA Waste.

On May 5, 1998, the United States filed a proposed Modified Final Judgment to modify the Final Judgment in this case. The United States maintained that the proposed acquisition of TransAmerican's commercial hauling and disposal assets in the Houston area would violate the original Final Judgment. The proposed Modified Final Judgment requires USA

Waste to divest the TransAmerican commercial small container and disposal assets in the Houston area and provide 2,000,000 tons of air space rights for ten years at two USA Waste landfills in the Houston area.

The Hold Separate Stipulation and Order and the Stipulation and Order ensure that the provisions of the proposed Modified Final Judgment will be observed and that the assets to be divested will be held separate and maintained as a viable competitive entity until the divestiture takes place.

Public comments on the proposed Modified Final Judgment should be directed to J. Robert Kramer, Chief, Litigation II Section, Antitrust Division, United States Department of Justice, 1401 H Street, NW, Suite 3000, Washington, DC 20530 (telephone: 202/307–0924). Such comments and responses thereto will be filed with the Court.

Constance K. Robinson,

Director of Operations and Merger Enforcement.

[FR Doc. 98–15209 Filed 5–8–98; 8:45 am]

BILLING CODE 4410–11–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

[INS No. 1929–98; AG Order No. 2161–98]

RIN 1115–AE26

Designation of the Province of Kosovo in the Republic of Serbia in the State of the Federal Republic of Yugoslavia (Serbia-Montenegro) Under Temporary Protected Status

AGENCY: Immigration and Naturalization Service, Justice.

ACTION: Notice.

SUMMARY: Under section 244 of the Immigration and Nationality Act, as amended, (the Act), the Attorney General is authorized to grant Temporary Protected Status (TPS) in the United States to eligible nationals of designated foreign states or parts of such states (or to eligible aliens who have no nationality and who last habitually resided in such designated states) upon a finding that such states are experiencing ongoing civil strife, environmental disaster, or certain other extraordinary and temporary conditions. This notice designates the Province of Kosovo in the Republic of Serbia in the state of the Federal Republic of Yugoslavia (Serbia-Montenegro) for TPS pursuant to section 244(b)(1) of the Act.

EFFECTIVE DATE: This designation is effective on June 9, 1998 and will remain in effect until June 8, 1999.

FOR FURTHER INFORMATION CONTACT: Pearl Chang, Chief, Residence and Status Branch, Adjudications, Immigration and Naturalization Service, 425 I Street, NW., Room 3214, Washington, DC 20536, telephone (202) 514–5014.

SUPPLEMENTARY INFORMATION:

Background

Based on a thorough review by the Departments of State and Justice of all available evidence, the Attorney General finds that there is an on-going armed conflict in the Province of Kosovo in the Republic of Serbia in the state of the Federal Republic of Yugoslavia (Serbia-Montenegro) (hereafter ''Kosovo Province'') and that, due to such conflict, requiring the return of nationals of Serbia-Montenegro to Kosovo Province would pose a serious threat to their personal safety.

Kosovar Albanians constitute approximately 90 percent of the 2 million people in the Province of Kosovo in Serbia-Montenegro, a country governed by a Serb-majority government. Tensions have been particularly high since the government's 1989 revocation of Kosovo's political autonomy. In March 1998, the Serb government crackdown left approximately 90 Kosovar Albanians dead, including non-combatants and children. Although the fighting has subsided, protests continue and the Serb government has shown limited cooperation with the international community's calls for dialogue concerning the killings.

Residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) who have been continuously physically present and have continuously resided in the United States since June 9, 1998, may apply for TPS within the registration period which begins on June 9, 1998, and ends on June 8, 1999.

Any resident of Kosovo Province who has already applied for, or plans to apply for, asylum but whose asylum application has not yet been approved may also apply for TPS. An application for TPS does not preclude or adversely affect an application for asylum or any other immigration benefit. Residents of Kosovo Province who apply for TPS during the initial registration period will remain eligible to re-register for TPS if the designation of TPS is extended, even if an application for asylum or another immigration benefit is denied. However, without a TPS application during the initial registration period, only those residents of Kosovo Province who satisfy the requirements for late initial registration under 8 CFR 244.2(f)(2) would be eligible for TPS registration during any extension of designation. The requirements for late initial registration specify that the applicant have been in valid status or have an application for status pending during the initial registration period.

Residents of Kosovo Province may register for TPS by filing an Application for Temporary Protected Status, Form I–821, which requires a filing fee. The Application for Temporary Protected Status, Form I–821, must always be accompanied by an Application for employment Authorization, Form I–765, which is required for data-gathering purposes. TPS applicants who already have employment authorization, including some asylum applicants, and those who have no need for employment authorization, including minor children, need only pay the I–821 fee although they must complete and file the I–765. In all other cases, the appropriate filing fee must accompany Form I–765, unless a properly documented fee waiver request is submitted under 8 CFR 244.20 to the Service.

Notice of Designation of Kosovo Province Under Temporary Protected Status Program

By the authority vested in me as Attorney General under section 244 of the Immigration and Nationality Act, as amended (9 U.S.C.A. 1254 (West Supp. 1997)), I find, after consultation with the appropriate agencies of the Government, that:

(1) There exists an ongoing armed conflict in the Province of Kosovo in the Republic of Serbia in the state of the Federal Republic of Yugoslavia (Serbia-Montenegro) (hereafter ''Kosovo Province'') and, due to such conflict, the return of aliens who are residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) would pose a serious threat to their personal safety as a result of the armed conflict in that province;

(2) There exists extraordinary and temporary conditions in Kosovo Province that prevent aliens who are residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) from returning to Kosovo Province in safety; and

(3) Permitting residents of Kosovo Province (or aliens having no nationality who last habitually resided

in Kosovo Province) to remain temporarily in the United States is not contrary to the national interest of the United States.

Accordingly, it is ordered as follows:

(1) Kosovo Province is designated under sections 244(b)(1) (A) and (C) of the Act. Residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) who have been continuously physically present and have continuously resided in the United States since June 9, 1998, may apply for TPS within the registration period which begins on June 9, 1998, and ends on June 8, 1999.

(2) I estimate that there are no more than 5,000 residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) who are currently in nonimmigrant or unlawful status and therefore eligible for TPS.

(3) Except as may otherwise be provided, applications for TPS by residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) must be filed pursuant to the provisions of 8 CFR part 244. Aliens who wish to apply for TPS must file an Application for Temporary Protected Status, Form I–821, together with an Application for Employment Authorization, Form I–765, during the registration period, which begins on June 9, 1998, and will remain in effect until June 8, 1999.

(4) A fee prescribed in 8 CFR 103.7(b)(1) (currently fifty dollars ($50)) will be charged for each Application for Temporary Protected Status, Form I–821, filed during the registration period.

(5) The fee prescribed in 8 CFR 103.7(b)(1) (currently seventy dollars ($70)) will be charged for each Application for Employment Authorization, Form I–765, filed by an alien requesting employment authorization. An alien who does not wish to request employment authorization must nevertheless file Form I–765, together with Form I–821, for data gathering purposes, but in such cases Form I–765 will be without fee.

(6) Pursuant to section 244(b)(3)(A) of the Act, the Attorney General will review, at least 60 days before June 8, 1999, the designation of Kosovo Province under the TPS program to determine whether the conditions for designation continue to exist. Notice of that determination, including the basis for the determination, will be published in the **Federal Register.** If there is an extension of designation, late initial registration for TPS shall be allowed only pursuant to the requirements of 8 CFR 244.2(f)(2).

(7) Information concerning the TPS program for residents of Kosovo Province (or aliens having no nationality who last habitually resided in Kosovo Province) will be available at local Immigration and Naturalization Service offices upon publication of this notice.

Dated: June 3, 1998.

Janet Reno,

Attorney General.

[FR Doc. 98–15329 Filed 6–8–98; 8:45 am]

BILLING CODE 4410–10–M

DEPARTMENT OF LABOR

Pension and Welfare Benefits Administration

[Prohibited Transaction Exemption 98–25; Exemption Application No. D–10410, et al.]

Grant of Individual Exemptions; Smart Retirement The OLDE 401(k) Plan

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Grant of Individual Exemptions.

SUMMARY: This document contains exemptions issued by the Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Notices were published in the **Federal Register** of the pendency before the Department of proposals to grant such exemptions. The notices set forth a summary of facts and representations contained in each application for exemption and referred interested persons to the respective applications for a complete statement of the facts and representations. The applications have been available for public inspection at the Department in Washington, DC. The notices also invited interested persons to submit comments on the requested exemptions to the Department. In addition the notices stated that any interested person might submit a written request that a public hearing be held (where appropriate). The applicants have represented that they have complied with the requirements of the notification to interested persons. No public comments and no requests for a hearing, unless otherwise stated, were received by the Department.

The notices of proposed exemption were issued and the exemptions are being granted solely by the Department because, effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type proposed to the Secretary of Labor.

Statutory Findings

In accordance with section 408(a) of the Act and/or section 4975(c)(2) of the Code and the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990) and based upon the entire record, the Department makes the following findings:

(a) The exemptions are administratively feasible;

(b) They are in the interests of the plans and their participants and beneficiaries; and

(c) They are protective of the rights of the participants and beneficiaries of the plans.

SmartRetirement: The OLDE 401(k) Plan (the Plan), Located in Detroit, MI

[Prohibited Transaction Exemption 98–25; Application No. D–10410]

Exemption

Section I. Covered Transactions

The restrictions of sections 406(a)(1)(B) and (D) and 406(b) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (B), (D), (E) and (F) of the Code, shall not apply, (1) effective October 4, 1996, to the past and continuing receipt, by OLDE Discount Corporation (OLDE Discount), a wholly owned subsidiary of OLDE Financial Corporation (OLDE Financial), the Plan sponsor, of a portion of certain distribution fees that are paid by third party mutual funds (the Funds) to OLDE Discount pursuant to Rule 12b–1 (Rule 12b–1; the 12b–1 Fees) under the Investment Company Act of 1940 (the 1940 Act) and which are attributable to Plan assets that are invested in the Funds; and (2) the proposed cash rebate of such 12b–1 Fees, by OLDE Discount, to either the Plan or to the individually-directed accounts (the Accounts) of the participants in the Plan.[1]

The transactions are conditioned on the requirements set forth below in Section II.

Section II. General Conditions

(a) The decision to invest the assets of an Account in the Funds is made by a Plan participant and not by OLDE nor is OLDE providing ''investment advice'' to the participant within the meaning of section 3(21) of the Act.

(b) No sales commissions, other than 12b–1 Fees, are paid by an Account in

[1] Unless otherwise noted, OLDE Financial and its affiliates are collectively referred to herein as OLDE.

connection with the purchase or sale of shares in the Funds and no redemption fees are paid by an Account with respect to the sale of shares of the Funds.

(c) The Plan, or if applicable, Account, receives a rebate from OLDE Discount in the form of cash equal to such Plan's or Account's *pro rata* portion of all 12b–1 Fees received by OLDE Discount from the Funds under a rebate program (the Rebate Program).

(d) For purposes of the Rebate Program:

(1) During the course of each calendar year, as it receives 12b–1 Fees from the Funds, OLDE Discount calculates that portion of the 12b–1 Fees that are attributable to the Plan, including interest based on the Federal Funds Rate plus 2 percent.

(2) Within 30 days of receipt by OLDE Discount of the 12b–1 Fees, OLDE Discount separates and transfers the Plan's allocable portion of the 12b–1 Fees, together with interest earned on such fees (as determined in Step 1 above), to a money market account that has been established in the Plan's name with an unrelated bank, Comerica Bank of Detroit, Michigan (Comerica).

(3) The Plan may draw upon its Comerica money market account during the course of the year for the purpose of paying the Plan's administrative expenses owed to third parties.

(4) Immediately following the end of each calendar year, any remaining rebated 12b–1 Fees that are not drawn upon, after the payment of the Plan's administrative expenses, are allocated by the Plan to the participant Accounts.

(5) OLDE establishes and maintains a system of internal and external accounting controls for the Rebate Program.

(6) OLDE retains an independent auditor outside of the control of OLDE to audit, on an annual basis, OLDE Discount's rebating of 12b–1 Fees to either the Plan or the Accounts.

(e) Prior to purchasing shares of the Funds, each Plan participant receives full written disclosure of information concerning the Funds, including, but not limited to, the following:

(1) A communications document containing a general overview of the Plan, the types of investment Funds available, a listing of each specific Fund alternative and its investment objective, which directs the participant to request, either from the Fund or from OLDE, prospectuses for those Funds in which participant is interested in investing.

(2) Standard & Poor's reports on all of the Funds on OLDE's company-wide Intranet which participants may access and print on demand.

(3) If requested by the participant, copies of applicable prospectuses for the Funds discussing the investment objectives of the Funds, the policies employed to achieve these objectives, the relationship, if any, existing between OLDE Discount with the parties who act as sponsors, distributors, administrators, investment advisers and sub-advisers, custodians and transfer agents to the Funds and a statement describing the fee structure and the 12b–1 Fees. (OLDE will supplement such disclosures with information describing the Rebate Program.)

(4) Upon written or oral request to OLDE, a statement of additional information supplementing the applicable prospectus, which describes the types of securities and other instruments in which the Funds may invest, the investment policies and strategies that the Funds may utilize, including a description of the risks.

(5) Upon written request to OLDE, a copy of OLDE Discount's distribution agreements pertaining to the various Funds.

(6) Copies of the proposed exemption and grant notice describing the exemptive relief provided herein.

(f) After receiving the disclosures noted above, the participant acknowledges receipt of the documents in writing and provides authorization to OLDE with respect to investing in the Funds. However, for Fund purchases occurring prior to the date this final exemption is granted, the acknowledgement and authorization are given by a participant at the time of and as part of the next proposed investment change by such participant.

(g) Each additional purchase or redemption of shares in the Funds is directed by the participant, provided OLDE makes available to the participant, copies of the applicable Fund prospectus and disclosures regarding the fee structure and the 12b–1 Fees.

(h) Each Plan participant receives the following written or oral disclosures from OLDE with respect to ongoing investment in the Funds:

(1) Written confirmations of each purchase or redemption transaction involving shares of a Fund.

(2) Telephone quotations of such participant's Account balance.

(3) A monthly statement of account specifying the net asset value of the assets in a participant's Account, a summary of current year contributions, contributions since inception, beginning and ending account balances, summaries of contributions, purchases and sales during the month, a summary of the participant's final Account portfolio, aggregate 12b–1 Fees paid to OLDE Discount, and, to the extent applicable during one month per year only, any rebated fees that are allocated to the participant's Account.

(4) Semiannual and annual reports that include financial statements for the Funds.

(5) Investment performance histories and other information provided by the Funds to OLDE;

(6) Ratings information received about the Funds from independent sources such as Morningstar;

(7) Responses to oral or written inquiries of participants upon request.

(i) The terms of each purchase or redemption of shares in the Funds remain at least as favorable to an Account as those obtainable in an arm's length transaction with an unrelated party.

(j) OLDE maintains for a period of six years the records necessary to enable the persons described below in paragraph (k) to determine whether the conditions of this exemption have been met, except that (1) a prohibited transaction will not be considered to have occurred if, due to circumstances beyond the control of OLDE, the records are lost or destroyed prior to the end of the six year period, and (2) no party in interest, other than OLDE, shall be subject to the civil penalty that may be assessed under section 502(i) of the Act or to the taxes imposed by section 4975(a) and (b) of the Code if the records are not maintained or are not available for examination as required by paragraph (k) below; and

(k)(1) Except as provided in paragraph (k)(2) and notwithstanding any provisions of section 504(a)(2) and (b) of the Act, the records referred to in paragraph (j) are unconditionally available at their customary location for examination during normal business hours by—

(A) Any duly authorized employee or representative of the Department, the Internal Revenue Service or the Securities and Exchange Commission (the SEC), and

(B) Any participant or beneficiary of the Plan or duly authorized employee or representative of such participant or beneficiary;

(2) None of the persons described in paragraph (k)(1)(B) shall be authorized to examine trade secrets of OLDE, or commercial or financial information which is privileged or confidential.

III. Definitions

For purposes of this exemption:

(a) The term *OLDE* means OLDE Financial Corporation and any affiliate

of OLDE Financial, as defined in paragraph (b) of this Section III.

(b) An *affiliate* of OLDE includes—

(1) Any person directly or indirectly through one or more intermediaries, controlling, controlled by, or under common control with OLDE.

(2) Any officer, director or employee or relative of such person, or partner in any such person; and

(3) Any corporation or partnership of which such person is an officer, director, partner or employee.

(c) The *term control* means the power to exercise a controlling influence over the management or policies of a person other than an individual.

(d) The term *participant* includes participants in the Plan and their beneficiaries who may invest in the Funds.

(e) The term *Fund or Funds* means any open-end management investment company or companies registered under the 1940 Act for which OLDE Discount provides distribution and related services.

(f) The term *net asset value* means the amount calculated by dividing the value of all securities, determined by a method as set forth in a Fund's prospectus and statement of additional information, and other assets belonging to each of the portfolios in such fund, less the liabilities chargeable to each portfolio, by the number of outstanding shares.

(g) The term *relative* means *a relative* as that term is defined in section 3(15) of the Act (or a *member of the family* as that term is defined in section 4975(e)(6) of the Code), or a brother, a sister, or a spouse of a brother or a sister.

EFFECTIVE DATE: This exemption is effective as of October 4, 1996 with respect to transactions involving the past and continuing receipt, by OLDE Discount, of 12b–1 Fees that are attributable to the Plan from the Funds. However, it is prospective for transactions involving the cash rebate, by OLDE Discount, of such fees to either the Plan or to the Accounts.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption (the Notice) published on February 26, 1998 at 63 FR 9863.

Written Comments

The Department received two written comments with respect to the Notice and no requests for a public hearing. The first comment, which was submitted by employees of OLDE Discount, was in favor of the exemption and urged that it be granted. The second comment was submitted by OLDE and suggested clarifications to ambiguities in the conditional language of the Notice and the Summary of Facts and Representations (the Summary). Presented below are OLDE's comments and the Department's accompanying responses.

1. Section 406(a) Exemptive Relief

The operative language of the Notice provides exemptive relief from the restrictions of section 406(b) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(E) and (F) for the covered transactions. However, in its comment, OLDE has requested that the Department expand the scope of the Notice to include exemptive relief from section 406(a) of the Act and the corresponding sections of the Code.

The Department agrees with OLDE's comment and has revised the operative language of the Notice to include exemptive relief from section 406(a) of the Act and the corresponding sections of the Code. Specifically, the Department has amended the Notice to include exemptive relief from section 406(a)(1)(B) of the Act and section 4975(c)(1)(B) of the Code under the theory that the 30 day time lag between OLDE Discount's receipt of 12b–1 Fees from the Funds that are attributable to the Plan and the transfer of such fees to the Comerica money market established in the Plan's name, could be construed as a prohibited extension of credit between the Plan and OLDE Discount. In addition, the Department has revised the Notice to include exemptive relief from section 406(a)(1)(D) of the Act and section 4975(c)(1)(D) of the Code under the premise that the covered transactions may be considered prohibited transfers to OLDE Discount of assets of the Plan inasmuch as the Plan's allocable portion of the 12b–1 Fees are ultimately borne by the Plan through internal mutual fund expenses that reduce the Plan's earnings.

2. Section II(c)

Section II(c) of the Notice refers to ''12b–1 Fees charged by OLDE Discount to the Funds.'' As a technical matter relating to the nature of 12b–1 Fees, OLDE wishes to clarify that OLDE Discount does not charge the Funds for 12b–1 Fees. Instead, OLDE suggests that the Department reword this phrase to read as follows: ''12b–1 Fees received by OLDE Discount from the Funds.'' In response, the Department has made the requested change to Section II(c) of the Notice.

3. Section II(e)(1) and Representation 11

OLDE states that Section II(e)(1) of the Notice and Representation 11 of the Summary indicate that prior to purchasing shares in the funds, each Plan participant will receive copies of all applicable prospectuses for the Funds. Because there are in excess of 50 Funds available under the Plan, OLDE represents that this would require that OLDE provide in advance to all participants more than 50 prospectuses. Instead, OLDE would prefer to make all prospectuses available to participants upon their request. In addition, OLDE explains that it would automatically provide an applicable prospectus to a participant who elects to invest in a specific Fund.

To inform participants of Fund options, OLDE represents that it has developed a communications document for employees which gives a general overview of the Plan, the types of investment Funds available and a listing of each specific Fund alternative and its investment objective. OLDE explains that the communications document urges participants to request, either from the Fund houses or from OLDE's human resources department, prospectuses for those Funds in which participants are interested in investing prior to investing in the Funds. In this way, OLDE believes that it can provide relevant materials to each participant. In addition, OLDE states that it makes available Standard & Poor's reports on all of the Funds on its company-wide Intranet which participants may access and print on demand.

The Department does not wish to create an unwieldy result by requiring that OLDE provide each participant more than 50 prospectuses in advance of such participant's purchase of Fund shares. Rather, the Department wishes to clarify that this condition and the corresponding language in Representation 11 relate to OLDE's provision to a Plan participant of ''applicable'' prospectuses, meaning prospectuses for those Funds in which the participant may contemplate investing and not all of the prospectuses that may be available for the Funds offered under the Plan. Although the Department expects that a participant will receive a copy of an applicable prospectus before investing in the Funds, it believes that the different strategies adopted by OLDE help to satisfy this objective. Therefore, the Department has revised Section II(e) of the Notice in its entirety as follows:

(e) Prior to purchasing shares of the Funds, each Plan participant receives full written disclosure of information concerning the

Funds, including, but not limited to, the following:

(1) A communications document containing a general overview of the Plan, the types of investment Funds available, a listing of each specific Fund alternative and its investment objective, which directs the participant to request, either from the Fund or from OLDE, prospectuses for those Funds in which participant is interested in investing.

(2) Standard & Poor's reports on all of the Funds on OLDE's company-wide Intranet which participants may access and print on demand.

(3) If requested by the participant, copies of applicable prospectuses for the Funds discussing the investment objectives of the Funds, the policies employed to achieve these objectives, the relationship, if any, existing between OLDE Discount with the parties who act as sponsors, distributors, administrators, investment advisers and sub-advisers, custodians and transfer agents to the Funds and a statement describing the fee structure and the 12b–1 Fees. (OLDE will supplement such disclosures with information describing the Rebate Program.)

(4) Upon written or oral request to OLDE, a statement of additional information supplementing the applicable prospectus, which describes the types of securities and other instruments in which the Funds may invest, the investment policies and strategies that the Funds may utilize, including a description of the risks.

(5) Upon written request to OLDE, a copy of OLDE Discount's distribution agreements pertaining to the various Funds.

(6) Copies of the proposed exemption and grant notice describing the exemptive relief provided herein.

In addition, the Department has made similar changes to Representation 11.

4. Section II(f) and Representation 11

OLDE represents that Section II(f) of the Notice and Representation 11 of the Summary indicate that participants will acknowledge receipt of the disclosure documents and will provide authorization to OLDE with respect to investing in the Funds. As to the timing of this acknowledgement and authorization, OLDE believes that most workable mechanism is to have each Plan participant provide the acknowledgement and authorization on the next occasion on which such participant makes a written election with regard to Plan investments, given the retroactive nature of the exemption request and to avoid potential participant inaction if OLDE mailed acknowledgment/authorization forms to each Plan participant. Under the alternative proposed, OLDE notes that this would generally be the date that the participant next elects to modify his or her investment choices.

The Department has considered this comment and has redrafted Condition I(f) to read as follows:

(f) After receiving the disclosures noted above, the participant acknowledges receipt of the documents in writing and provides authorization to OLDE with respect to investing in the Funds. However, for Fund purchases occurring prior to the date this final exemption is granted, the acknowledgement and authorization are given by a participant at the time of and as part of the next proposed investment change by such participant.

5. Section II(g) and Representation 11

OLDE states that section II(g) of the Notice requires that OLDE ''makes available to the participant, copies of the applicable Fund prospectuses and disclosures regarding the fee structure and the 12b–1 Fees.'' OLDE points out that a similar requirement is included in Representation 11 of the Summary. Although OLDE interprets the phrase makes available to mean informing participants of the availability of these items and providing them to participants upon request, it wonders whether its assumptions are correct.

In response, the Department concurs with the construction given by OLDE to this phrase.

6. Section II(h)(1) and Representation 11

OLDE represents that Section II(h)(1) of the Notice and Representation 11 of the Summary require written confirmation of each purchase or redemption transaction involving shares of a Fund. OLDE proposes that the confirmation requirement be satisfied by the participant's receipt of his or her next monthly statement detailing each transaction. The Department concurs with this approach.

7. Section II(h)(4) and Representation 11

OLDE represents that Section II(h)(4) of the Notice and Representation 11 of the Summary require that semiannual and annual reports be provided to participants that include financial statements for the Funds as well as fees paid to OLDE Discount. Although the Funds provide semiannual and annual reports to those participants investing in the Funds, OLDE wishes to clarify that it intends to list aggregate 12b–1 Fees paid to OLDE Discount as separate informational items on monthly statements provided to participants.

In response, the Department concurs with this approach because it will allow participants to review aggregate 12b–1 Fees that are paid to OLDE Discount on a monthly basis. This should satisfy the requirement that OLDE Discount provide such information both semiannually or annually to Plan participants. Therefore, to reflect these changes, the Department has revised Section II(h)(3) and (4) of the Notice to read as follows:

(3) A monthly statement of account specifying the net asset value of the assets in a participant's Account, a summary of current year contributions, contributions since inception, beginning and ending account balances, summaries of contributions, purchases and sales during the month, a summary of the participant's final Account portfolio, aggregate 12b–1 Fees paid to OLDE Discount, and, to the extent applicable during one month per year only, any rebated fees that are allocated to the participant's Account.

(4) Semiannual and annual reports that include financial statements for the Funds.

In addition to the above, the Department has made corresponding modifications to Representation 11 of the Summary.

8. Representation 1

OLDE points out that the third sentence of Representation 1 of the Summary states that ''The Funds have been offered to the plan at no load pursuant to agreements with the Fund sponsors.'' OLDE believes that, consistent with the disclosures under applicable securities laws, this sentence should be amended to read as follows: ''The Funds have been offered to the Plan at net asset value pursuant to agreements with the Funds' sponsors.''

In response to OLDE's suggestion, the Department has revised the third sentence of Representation 3, accordingly.

9. Footnote 3

OLDE states that Footnote 3 of the Summary lists sample Funds offered under the Plan and includes a reference to ''The American Mutual Fund.'' OLDE represents that there is no ''American Mutual Fund'' offered under the Plan.

In response, the Department agrees to make this change to the Summary. However, it notes that the reference to ''The American Mutual Fund'' was included in a Fund listing supplied by OLDE to the Department.

For further information regarding the comment letters or other matters discussed herein, interested persons are encouraged to obtain copies of the exemption application file (Exemption Application No. D–10410) pertaining to this case. The complete application file, as well as all supplemental submissions received by the Department, are made available for public inspection in the Public Documents Room of the Pension and Welfare Benefits Administration, Room N–5638, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210.

Accordingly, after consideration of the entire record, including the comments, the Department has determined to grant the exemption as modified herein.

For Further Information Contact: Ms. Jan D. Broady of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

Beer Nuts, Inc. Profit Sharing Plan (the Plan), Located in Bloomington, Illinois

[Prohibited Transaction Exemption 98–26; Exemption Application No. D–10531]

Exemption

The restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the sale (the Sale) by the Plan of certain limited partnership interests (the Interests) to Beer Nuts, Inc., a party in interest and a disqualified person with respect to the Plan, provided that the following conditions were satisfied:

(a) The terms of the Sale were at least as favorable to the Plan as those obtainable in an arm's length transaction with an unrelated party;

(b) The Sale was a one-time transaction for cash;

(c) The Plan paid no commissions or other expenses relating to the Sale; and

(d) The Sale price was not less than the fair market value of the Interests as determined by a qualified, independent appraiser.

Effective Date: The exemption is effective as of December 30, 1996.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption please refer to the notice of proposed exemption published on March 31, 1998 at 63 FR 15462.

For Further Information Contact: Mr. James Scott Frazier of the Department, telephone (202) 219–8891 (This is not a toll-free number).

James E. Jordan, Sr. Individual Retirement Account (the IRA), Located in Phoenix, Arizona

[Prohibited Transaction Exemption 98–27; Exemption Application No. D–10550]

Exemption

The sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the cash purchase by the IRA of a certain promissory note issued by unrelated parties (the Martin Note) which is secured by a first mortgage on certain residential property (the Property) from the James E. Jordan Revocable Trust Agreement (the Trust), a disqualified person with respect to the IRA;[2] provided that the following conditions are met:

1. The purchase of the Martin Note will be a one-time cash transaction;

2. The IRA will pay no commissions or other expenses associated with the purchase;

3. The amount paid by the IRA for the Martin Note will be the lesser of (i) $63,108.97, which is the current fair market value of the Martin Note as determined by an independent, qualified appraiser, or (ii) the fair market value of the Martin Note, as determined at the time of the purchase by an independent, qualified appraiser;

4. Both the amount paid by the IRA for the Martin Note and the outstanding principal balance on such Note will involve less than 25% of the IRA's total assets;

5. Mr. Jordan, as the sole participant of the IRA, will be the only individual affected by the proposed transaction; and

6. On the date the IRA purchases the Martin Note from the Trust, the IRA will be named as loss payee under the homeowners insurance policy on the Property.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption refer to the notice of proposed exemption published on April 22, 1998 at 63 FR 19952.

For Further Information Contact: Ekaterina A. Uzlyan of the Department at (202) 219–8883. (This is not a toll-free number.)

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions to which the exemptions do not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(B) of the Act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) These exemptions are supplemental to and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transactional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(3) The availability of these exemptions is subject to the express condition that the material facts and representations contained in each application accurately describes all material terms of the transaction which is the subject of the exemption.

Signed at Washington, D.C., this 4th day of June, 1998.

Ivan Strasfeld,

Director of Exemption Determinations, Pension and Welfare Benefits Administration, Department of Labor.

[FR Doc. 98–15289 Filed 6–8–98; 8:45 am]

BILLING CODE 4510–29–P

[2] Pursuant to CFR 2510.3–2(d), the Department has no jurisdiction with respect to the IRA under Title I of the Act. However, there is jurisdiction under Title II of the Act pursuant to section 4975 of the Code.

NATIONAL TRANSPORTATION SAFETY BOARD

Sunshine Act Meeting

TIME AND DATE: 9:30 a.m., Tuesday, June 16, 1998.

PLACE: NTSB Board Room, 5th Floor, 490 L'Enfant Plaza, S.W., Washington, D.C. 20594.

STATUS: Open.

MATTERS TO BE CONSIDERED:

6927A Aviation Accident Report—Uncontrolled Impact with Terrain, Fine Air, Miami, Florida, August 7, 1997.

NEWS MEDIA CONTACT: Telephone: (202) 314–6100.

FOR MORE INFORMATION CONTACT: Rhonda Underwood, (202) 314–6065.

Dated: June 5, 1998.

Rhonda Underwood,

Federal Register Liaison Officer.

[FR Doc. 98–15489 Filed 6–5–98; 2:51 pm]

BILLING CODE 7533–01–M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–341]

In the Matter of Detroit Edison Company (Fermi 2); Exemption

I

The Detroit Edison Company (the licensee) is the holder of Facility Operating License No. NPF–43, which authorizes operation of Fermi 2. The license provides, among other things, that the licensee is subject to all rules, regulations, and orders of the Commission now or hereafter in effect.

The facility consists of a boiling-water reactor at the licensee's site located in Monroe County, Michigan.

II

Section 70.24 of Title 10 of the Code of Federal Regulations, ''Criticality accident requirements,'' requires that each licensee authorized to possess special nuclear material (SNM) shall maintain a criticality accident monitoring system in each area where such material is handled, used, or stored. Subsections (a)(1) and (a)(2) of 10 CFR 70.24 specify detection and sensitivity requirements that these monitors must meet. Subsection (a)(1) also specifies that all areas subject to criticality accident monitoring must be covered by two detectors.

Paragraph (a) of 10 CFR 70.14 states that the Commission may, upon application of any interested person, grant such exemptions from the requirements of the regulations in 10 CFR Part 70 as it determines are authorized by law and will not endanger life or property or the common defense and security and are otherwise in the public interest.

III

The SNM that could be assembled into a critical mass at Fermi 2 is in the form of nuclear fuel; the quantity of SNM other than fuel that is stored on site in any given location is small enough to preclude achieving a critical mass. The Commission has evaluated the possibility of an inadvertent criticality of the nuclear fuel at Fermi 2 and has determined that it is extremely unlikely for such an accident to occur if the licensee meets the following seven criteria:

1. Only three new fuel assemblies are allowed out of a shipping cask or storage rack at one time.

2. The k-effective does not exceed 0.95, at a 95% probability, 95% confidence level in the event that the fresh fuel storage racks are filled with fuel of the maximum permissible U–235 enrichment and flooded with pure water.

3. If optimum moderation occurs at low moderator density, then the k-effective does not exceed 0.98, at a 95% probability, 95% confidence level in the event that the fresh fuel storage racks are filled with fuel of the maximum permissible U–235 enrichment and flooded with a moderator at the density corresponding to optimum moderation.

4. The k-effective does not exceed 0.95, at a 95% probability, 95% confidence level in the event that the spent fuel storage racks are filled with fuel of the maximum permissible U–235 enrichment and flooded with pure water.

5. The quantity of forms of SNM, other than nuclear fuel, that are stored on site in any given area is less than the quantity necessary for a critical mass.

6. Radiation monitors, as required by General Design Criterion 63, are provided in fuel storage and handling areas to detect excessive radiation levels and to initiate appropriate safety actions.

7. The maximum nominal U–235 enrichment is limited to 5.0 weight percent.

By letter dated April 27, 1998, the licensee requested an exemption from 10 CFR 70.24. In this request the licensee addressed the seven criteria given above. The Commission has reviewed the licensee's submittal and has determined that Fermi 2 meets the applicable criteria. Criteria 2 and 3 are not applicable to Fermi 2 because plant procedures preclude the use of the fresh fuel storage racks. Therefore, the staff has determined that it is extremely unlikely for an inadvertent criticality to occur in SNM handling or storage areas at Fermi 2.

The purpose of the criticality monitors required by 10 CFR 70.24 is to ensure that if a criticality were to occur during the handling of SNM, personnel would be alerted to that fact and would take appropriate action. The staff has determined that it is extremely unlikely that such an accident could occur; furthermore, the licensee has criticality accident monitors conforming to 10 CFR 70.24 in the areas in which fuel is handled outside the inner metal shipping cask and administrative controls over the handling of the casks in other areas. The low probability of an inadvertent criticality, together with the licensee's criticality accident monitors and administrative controls, constitutes good cause for granting an exemption to the requirements of 10 CFR 70.24(a).

IV

The Commission has determined that, pursuant to 10 CFR 70.14, this exemption is authorized by law, will not endanger life or property or the common defense and security, and is otherwise in the public interest. Therefore, the Commission hereby grants the Detroit Edison Company, an exemption from the requirements of 10 CFR 70.24(a) for Fermi 2.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will have no significant impact on the quality of the human environment (63 FR 29256).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 2nd day of June 1998.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 98–15268 Filed 6–8–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–260 and 50–296]

Tennessee Valley Authority; Notice of Consideration of Issuance of Amendment to Facility Operating Licenses and Opportunity for a Hearing

The U.S. Nuclear Regulatory Commission (NRC, the Commission) is considering issuance of an amendment to Facility Operating License Nos. DPR–52 and DPR–68 issued to the Tennessee Valley Authority (TVA or the licensee) for operation of the Browns Ferry Nuclear Plant (BFN), Units 2 and 3, located in Limestone County, Alabama.

Presently, the BFN Units 2 and 3 are licensed to operate at a maximum rated thermal power of 3293 MWt. By letter dated October 1, 1997, as supplemented October 14, 1997, March 16, April 1 and 28, May 1 and 20, 1998, the licensee proposed changes to the BFN Units 2 and 3 Technical Specifications (TS) to allow operation of the Units at the uprated power level of 3458 MWt which represents a proposed power level increase of 5 percent. The licensee proposed several TS changes to revise the rated thermal power value, flow, pressure and temperature values for various systems and structures, relief valve setpoints and associated surveillance requirements to reflect operation of the BFN Units 2 and 3 at the increased power level. For further details with respect to specific TS

changes, see the application for amendments.

Before issuance of the proposed license amendments, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

By July 9, 1998, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's ''Rules of Practice for Domestic Licensing Proceedings'' in 10 CFR Part 2. Interested persons should consult a current copy of 10 FR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Athens Public Library, 405 E. South Street, Athens, Alabama. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide reference to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, Attention: Rulemakings and Adjudications Staff, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, and to General Counsel, Tennessee Valley Authority, 400 West Summit Drive, ET 10H, Knoxville, Tennessee 37902, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)–(v) and 2.714(d).

If a request for a hearing is received, the Commission's staff may issue the amendment after it completes its technical review and prior to the completion of any required hearing if it publishes a further notice for public comment of its proposed finding of no significant hazards consideration in accordance with 10 CFR 50.91 and 50.92. For further details with respect to this action, see the application for amendments dated October 1, 1997, as supplemented October 14, 1997, March 16, April 1 and 28, May 1, and 20, 1998, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street NW., Washington, DC and at the local public document room located at the Athens Public Library, 405 E. South Street, Athens, Alabama.

Dated at Rockville, Maryland, this 3rd day of June 1998.

For the Nuclear Regulatory Commission.

L. Raghavan,

Senior Project Manager, Project Directorate II–3, Division of Reactor Projects-I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 98–15267 Filed 6–8–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–244]

Rochester Gas and Electric Corporation and R.E. Ginna Nuclear Power Plant; Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (the Commission) is considering revoking an exemption issued to Rochester Gas and Electric Corporation (the licensee), holder of Facility Operating License No. DPR–18 for operation of the R.E. Ginna Nuclear Power Plant located in Wayne County, New York.

Environmental Assessment

Identification of Proposed Action

The proposed action would revoke one of the exemptions from the requirements of Section III.G of Appendix R to 10 CFR Part 50 issued on March 21, 1985. By letter dated January 13, 1998, the licensee informed the NRC that the exemption from Section III.G of Appendix R to 10 CFR Part 50 for the

R.E. Ginna Nuclear Power Plant issued in connection with the absence of a continuous fire-rated barrier at the common boundary between Fire Areas ABBM and ABI at the Refueling Water Storage Tank (RWST) is no longer required. The licensee indicated that the barrier has now been sealed by insertion of a 12-inch minimum depth of kaowool into a 6-inch gap around the circumference of the tank and closure of the gap by a ¾-inch thick steel plate. Therefore, a continuous fire-rated barrier is not absent at this location.

The proposed action is in response to the licensee's letter dated January 13, 1998.

The Need for the Proposed Action

The proposed action is needed because there no longer is a basis or underlying need for the exemption since the barrier at the common boundary between Fire Areas ABBM and ABI at the RWST has been sealed.

Environmental Impacts of the Proposed Action

The Commission has completed its evaluation of the proposed action and concludes that there is no significant environmental impact if the subject exemption is revoked.

The proposed revocation is an administrative action that reflects that there no longer is a need or basis for the exemption in light of the licensee's corrective action. Therefore, the proposed action would not increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released offsite, and there is no significant increase in the allowable individual or cumulative occupational radiation exposure. Accordingly, the Commission concludes that there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action does not affect nonradiological plant effluents and has no other environmental impact. Accordingly, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed action.

Alternatives to the Proposed Action

Since the Commission has concluded that there is no significant environmental impact associated with the proposed action, any alternatives with equal or greater environmental impact need not be evaluated. As an alternative to the proposed action, the staff considered not revoking the exemption. Not revoking the exemption would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the ''Final Environmental Statement For the R.E. Ginna Nuclear Power Plant dated December 1973.''

Agencies and Persons Consulted

In accordance with its stated policy, on May 4, 1998, the staff consulted with the Ms. Hide Volt of the New York State Energy Research and Development Authority, regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated January 13,1998, which is available for public inspection at the Commission's Public Document Room, which is located at The Gelman Building, 2120 L Street, NW., Washington, D. C., and at the local public document room located at the Rochester Public Library, 115 South Avenue, Rochester, New York.

Dated at Rockville, Maryland, this 2nd day of June 1998.

For the Nuclear Regulatory Commission.

S. Singh Bajwa,

Director, Project Directorate I–1, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 98–15269 Filed 6–8–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Public Meeting on NRC Regulatory Oversight of DOE Facilities

AGENCY: Nuclear Regulatory Commission and the Department of Energy.

ACTION: Notice of meeting.

SUMMARY: The Nuclear Regulatory Commission (NRC) and the U.S. Department of Energy (DOE) will hold a public meeting on Thursday, June 25, 1998, in Aiken, South Carolina, to address issues related to pilot program for NRC's external regulation of certain DOE facilities. The Receiving Basin for Offsite Fuels (RBOF) at DOE's Savannah River Site (SRS) has been selected at the third pilot project within the program.

SUPPLEMENTARY INFORMATION: The Department of Energy and the Nuclear Regulatory Commission will hold a joint public meeting to provide information on this pilot project on Thursday, June 25, 1998, at 6:30 p.m. at the City of Aiken Conference Center, City Municipal Building, 215 The Alley, Aiken, South Carolina.

In June 1997, DOE and NRC agreed to pursue NRC external regulation of certain DOE facilities on a pilot program basis. A pilot program of NRC simulated regulation has been established to collect information on the desirability of NRC oversight and on whether to seek legislation to authorize such oversight. The DOE and the NRC expect to evaluate six to ten DOE facilities during the two year pilot program which began in November 1997. The RBOF at the SRS has been chosen as one of the pilot facilities.

The major areas of discussion at this meeting will be:

- The overall pilot program and background information.
- The RBOF Work Plan.
- Major issues affecting NRC oversight (generic and site-specific).

One of the main purposes of the meeting is to describe the process through which stakeholders may participate in the pilot program. Stakeholders will be invited to ask questions and submit comments relevant to the objectives of the pilot program and the process by which those objectives are proposed to be addressed at the RBOF. Issues raised by stakeholders will be addressed in the final report following the pilot evaluation at RBOF.

Since 1994, DOE has been considering whether there are advantages to be gained from external regulation of existing DOE facilities. Two advisory groups recommended that the NRC be considered as the external regulator of nuclear and radiological safety at DOE sites. External regulation by the NRC may improve the efficiency and effectiveness of DOE's radiological safety programs. DOE facilities would be regulated consistent with other facilities of the same type engaged in similar activities, and the NRC could maintain complete independence because it has no responsibility for operating the facilities.

A number of background documents pertaining to the issue of NRC oversight

of DOE facilities are available or will be made available prior to the meeting. These include:

- A draft Pilot Program Work Plan for the Receiving Basin for Offsite Fuel at the Savannah River Site.
- A Memorandum of Understanding between NRC and DOE, dated November 21, 1997.
- An NRC Commission Paper entitled, ''Status Report of the Nuclear Regulatory Commission Task Force On Oversight of the Department of Energy, In Response to COMSECY–96–053—DSI 2 (SECY–98–080) dated April 14, 1998.
- NRC Staff Requirements Memorandum: COMSECY–96–053, ''Oversight of the Department of Energy (DSI 2),'' dated March 28, 1997.
- NRC Direction Setting Issue Paper ''Oversight of the Department of Energy'' (DSI 2) dated September 16, 1996.
- Report of the DOE Working Group on External Regulation, dated December 1996.
- Report of the DOE Advisory Committee on External Regulation of DOE Nuclear Safety, dated December 1995.

You may obtain copies of these documents by contacting Jim Giusti at (803) 725–2889. These documents are also available on the joint DOE/NRC Web Site at http://www.nrc.gov/NRC/NMSS/doepilot.html. As additional documents are completed, they will be added to the web site. If you would like more information about this meeting, or need special accommodations to attend, please contact Jim Giusti at (802) 725–2889.

Dated at Rockville, Maryland, this 2nd day of June, 1998.

For the Nuclear Regulatory Commission.

Malcolm R. Knapp,

Acting Director, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 98–15266 Filed 6–8–98; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension:

Reg. 12B, SEC File No. 270–70, OMB Control No. 3235–0062
Reg. D, SEC File No. 270–72, OMB Control No. 3235–0076
Reg. A, SEC File No. 270–110, OMB Control No. 3235–0286
Form 12b–25, SEC File No. 270–71, OMB Control No. 3235–0058
Form 3, SEC File No. 270–125, OMB Control No. 3235–0104
Form 4, SEC File No. 270–126, OMB Control No. 3235–0287
Form 5, SEC File No. 270–323, OMB Control No. 3235–0362
Form 15, SEC File No. 270–170, OMB Control No. 3235–0167
Form S–4, SEC File No. 270–287, OMB Control No. 3235–0324
Form F–4, SEC File No. 270–288, OMB Control No. 3235–0325
Reg. S, SEC File No. 270–315, OMB Control No. 3235–0357
Rule 135d, SEC File No. 270–403, OMB Control No. 3235–046

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) the Securities and Exchange Commission (''Commission'') is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collections of information to the Office of Management and Budget for extension and approval.

Regulation 12B governs all registration statements filed pursuant to Sections 12(b) and 12(g) under the Securities Exchange Act of 1934 (''Exchange Act'') and all reports filed pursuant to Sections 13 and 15(d) of the Exchange Act, including amendments thereto. The information is needed to provide guidance on how to prepare these filings. Public companies are the likely respondents. Regulation 12B does not directly impose any information collection burdens on respondents and is assigned one burden hour for administrative convenience.

Regulations A and D provide exemptions from the registration requirements of the Securities Act of 1933 (''Securities Act''). Regulation A provides a conditional small issues exemption and Regulation D sets forth rules governing the limited offer and sale of securities without Securities Act registration. Those relying on Regulation A must file a Form 1–A and those relying on Regulation D file a Form D. Issuers of securities are the likely respondents. Approximately 186 respondents file Regulation A annually for a total annual burden of 115,506 hours. Approximately 8,065 respondents file Regulation D annually for a total annual burden of 137,680 hours.

Form 12b–25 is filed pursuant to the Exchange Act Rule 12b–25 by issuers who are unable to timely file all or any required portion of an annual, quarterly or transition report. Approximately 4,474 respondents file Form 12b–25 annually for a total annual burden of 11,185 hours.

Exchange Act Forms 3, 4 and 5 are filed by insiders of public companies that have a class of securities registered under Section 12 of the Exchange Act. Form 3 is an initial statement of beneficial ownership of securities, Form 4 is a statement of changes in beneficial ownership of securities and Form 5 is an annual statement of beneficial ownership of securities.

Approximately 7,538 respondents file Form 3 annually for a total annual burden of 3,769 hours. Approximately 62,704 respondents file Form 5 annually for a total annual burden of 31,352 hours. Approximately 37,075 respondents file Form 5 annually for a total annual burden of 37,075 hours.

Form 15 is filed by public companies subject to the Exchange Act reporting requirements to certify termination of registration of a class of security under Section 12(g) or notice of suspension of duty to file report pursuant to Sections 13 and 15(d) of the Exchange Act. Approximately 1,644 respondents file Form 15 annually for a total annual burden of 1,644 hours.

Forms S–4 and F–4 are filed by companies to register securities issued in business combination and exchange transactions under the Securities Act. Approximately 505 registrants file Form S–4 annually for a total annual burden of 622,665 hours. Approximately 2 respondents file Form F–4 annually for a total annual burden of 2,616 hours.

Regulation S is a set of rules governing offers and sales made outside the United States without Securities Act registration. It does not directly impose any information collection burdens and therefore is assigned only one burden hour for administrative convenience.

Securities Act Rule 135(d) requires notices given by issuers that they propose to make certain unregistered offerings to be filed with the Commission. Approximately 30 respondents file such notices annually for a total annual burden of 30 hours.

Written comments are invited on: (a) 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; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given

to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, N.W., Washington, DC 20549.

Dated: June 1, 1998.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–15279 Filed 6–8–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23240; 812–11102]

The Munder Funds, Inc., et al.; Notice of Application

June 3, 1998.

AGENCY: Securities and Exchange Commission (''SEC'').

ACTION: Notice of application under section 6(c) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section 15(a) of the Act.

SUMMARY OF APPLICATION: Applicants seek an order to permit the implementation, without prior shareholder approval, of new investment advisory and sub-advisory agreements (''New Management Agreements'') for a period of up to 150 days following the date on which a transfer of a controlling interest in Munder Capital Management (''MCM'') occurs (but in no event later than November 30, 1998) (the ''Interim Period''). The order also would permit MCM, World Asset Management (''World''), and Framlington Overseas Investment Management Limited (''Framlington Management''), following shareholder approval, to receive all fees earned under the New Management Agreements during the Interim Period.

APPLICANTS: The Munder Funds, Inc. (''Munder''), The Munder Funds Trust (''Munder Trust''), The Munder Framlington Funds Trust (''Framlington''), St. Clair Funds, Inc. (''St. Clair''), Select Asset Fund, Series 1, Inc. (''Select 1'') Select Asset Fund, Series 2, Inc. (''Select 2''), Great Lakes Fund, Inc. (''Great Lakes''), Huron Investment Fund, Inc. (''Huron''), Central Asset Fund, Inc. (''Central Asset''), Central Investment Fund, Inc. (''Central Investment''), Lernoult Investment Fund, Inc. (''Lernoult''), INVESCO Specialty Funds, Inc. (''INVESCO Specialty''), SEI Index Funds (''SEI Index'') (collectively, the ''Investment Companies''), MCM, World, Framlington Management, and INVESCO Funds Group, Inc. (''INVESCO'').

FILING DATES: The application was filed on April 8, 1998. Applicants have agreed to file an amendment during the notice period, the substance of which is included in this notice.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on June 29, 1998, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants: Munder, Munder Trust, Framlington, St. Clair, and MCM, 480 Pierce Street, Birmingham, Michigan 48009; World, 225 E. Brown Street, Suite 250, Birmingham, Michigan, 48009; Select 1, Select 2, Great Lakes, Huron, Central Asset, Central Investment, Lernoult, 411 W. Fafayette, Detroit, Michigan, 48226; INVESCO Specialty and INVESCO, 7800 E. Union Avenue, Denver, Colorado 80237; SEI, c/o CT Corporation, 2 Oliver Street, Boston, Massachusetts 02109; and Framlington Management, 155 Bishopsgate, London England EC2M 3XJ.

FOR FURTHER INFORMATION CONTACT: J. Amanda Machen, Senior Counsel, at (202) 942–7120, or Christine Y. Greenlees, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549 (tel. 202–942–8090).

Applicants' Representations

1. The Investment Companies, each of which is organized either as a Maryland corporation or a Massachusetts business trust, are registered under the Act as open-end management investment companies. Munder and the Munder Trust each offer fifteen investment portfolios. Framlington offers four investment portfolios, and St. Clair offers eleven. INVESCO Specialty is organized as a series fund.

2. MCM, World, and Framlington Management are investment advisers registered under the Investment Advisers Act of 1940. MCM serves as investment adviser to each portfolio of Munder, the Munder Trust, Framlington, and St. Clair. World serves as investment adviser to Select 1, Select 2, Great Lakes, Huron, Central Asset, Central Investment, Lernoult, and SEI Index, and as sub-adviser to a series of INVESCO Specialty. Framlington Management serves as sub-adviser to the portfolios of Framlington. INVESCO, a subsidiary of AMVESCAP, PLC, an international investment management company, serves as the investment adviser, administrator, and transfer agent for INVESCO Specialty.

3. MCM is a general partnership, whose interests are owned by Old MCM, Inc. (44%) (''Old MCM''), World Holdings, Inc. (44%), and Munder Group L.L.C. (12%) (the ''Munder Group''). Mr. Lee P. Munder (''Mr. Munder''), Chairman of MCM, indirectly owns 44% of MCM through his ownership interests in Old MCM and the Munder Group. Comerica Incorporated (''Comerica''), a bank holding company, indirectly owns 44% of MCM through its wholly-owned subsidiary, World Holdings, Inc. World is wholly-owned by MCM.

4. Comerica and Mr. Munder have reached an agreement under which Comerica will purchase 85% of Old MCM's interest in MCM and 85% of Mr. Munder's interest in the Munder Group (the ''Transaction''), after which Comerica will own or control 88% of the partnership interests in MCM.

5. Applicants state that consummation of the Transaction will result in a transfer of a controlling block of MCM's outstanding voting securities. Applicants believe, therefore, that consummation of the Transaction may result in an assignment and, thus, the termination of the current management agreements between MCM or World and each of the Investment Companies, the current sub-advisory agreements between MCM, Framlington and Framlington Management, and the current sub-advisory agreement between World and INVESCO (collectively, the ''Current Management Agreements''). Applicants request an exemption to permit the implementation, without prior shareholder approval, of the New Management Agreements. The requested exemption would cover an Interim Period of not more than 150 days,

beginning on the date on which the Transaction is consummated and continuing with respect to each Investment Company through the date on which each New Advisory Agreement is approved or disapproved by the Investment Company's shareholders, but in no event after November 30, 1998. Applicants state that the terms and conditions of the corresponding Current and New Management Agreements will be the same in all material respects. While the scheduled closing of the Transaction is expected on or before June 30, 1998, applicants state that the closing will not occur until receipt of the requested order.

6. The boards of directors/trustees of the Investment Companies (the ''Boards'') met, in accordance with section 15(c) of the Act, to consider the implications of the Transaction.[1] After a full evaluation, the Boards, including a majority of the non-interested directors/trustees, voted to approve the New Management Agreements as consistent with the best interests of each Investment Company and its shareholders, and to submit the New Management Agreements to shareholders.

7. Applicants propose to enter into an escrow arrangement with an unaffiliated financial institution (''Escrow Agent''), and fees earned under the New Management Agreements during the Interim Period will be paid into an account maintained by the Escrow Agent. The Escrow Agent will release the amounts held in the escrow account (including any interest earned): (a) to MCM, World, or Framlington only upon approval by the shareholders of the relevant Investment Company; or (b) to the relevant Investment Company in the absence of approval by its shareholders. Before any amounts are released from the escrow account, the relevant Board will be notified.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in pertinent part, that it shall be unlawful for any person to serve or act as an investment adviser of a registered investment company, except pursuant to a written contract that has been approved by the vote of a majority of the outstanding voting securities of the registered investment company. Section 15(a) of the Act further requires that the written contract provide for automatic termination in the event of its ''assignment.'' Section 2(a)(4) of the Act defines ''assignment'' to include any direct or indirect transfer of a contract by the assignor, or of a controlling block of the assignor's outstanding voting securities by a security holder of the assignor.

2. Applicants state that the consummation of the Transaction will result in a transfer of a controlling block of MCM's outstanding voting securities. Applicants believe, therefore, that the consummation of the Transaction may result in an ''assignment'' of the Current Management Agreements and that the Current Management Agreements may terminate by their terms and in accordance with the Act as a result of the Transaction.

3. Rule 15a–4 under the Act provides, in pertinent part, that if an investment advisory contract with an investment company is terminated by an assignment in which the adviser does not directly or indirectly receive a benefit, the adviser may continue to serve for 120 days under a written contract that has not been approved by the company's shareholders, provided that: (a) the new contract is approved by the company's board of directors (including a majority of the non-interested directors); (b) the compensation to be paid under the new contract does not exceed the compensation that would have been paid under the contract most recently approved by the company's shareholders; and (c) neither the adviser nor any controlling person of the adviser ''directly or indirectly receives money or other benefit'' in connection with the assignment. Applicants state that they cannot rely on rule 15a–4 because Mr. Munder and Comerica may be deemed to receive a benefit in connection with consummation of the Transaction.

4. Section 6(c) provides that the SEC may exempt any person, security, or transaction from any provision of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants assert that the requested relief meets this standard.

5. Applicants submit that the terms and timing of the closing of the Transaction were dictated by a partnership agreement entered into by Mr. Munder and Comerica upon formation of MCM in 1994 and, therefore, were determined by factors beyond the scope of the Act and substantially unrelated to the Investment Companies. Applicants state that there is insufficient time to gain shareholder approval of the New Management Agreements before closing of the Transaction. Applicants also state that the requested relief would permit continuity of investment management of the Investment Companies, without interruption, following consummation of the Transaction.

6. Applicants submit that the scope and quality of investment advisory services provided for the Investment Companies during the Interim Period will not be diminished. Applicants assert that the Investment Companies should receive, during the Interim Period, equivalent investment management services, provided in substantially the same manner and at the same fee level, by substantially the same personnel, as they receive under the Current Management Agreements. Applicants state that, in the event of any material change in personnel, MCM, World, and Framlington Management will apprise and consult the Boards to assure that the Boards, including a majority of the non-interested directors/trustees, are satisfied that the services provided by MCM, World, and Framlington Management will not be diminished in scope or quality.

7. Applicants note that the fees payable to MCM, World, and Framlington Management under the New Management Agreements have been approved by the appropriate Board, including a majority of the non-interested directors/trustees, and that the fees are the same as are payable under the Current Management Agreements. Applicants also state that the fees will not be released to MCM, World, or Framlington Management by the Escrow Agent without the approval of the New Management Agreements by the relevant Investment Company's shareholders.

Applicants' Conditions

Applicants agree that any order of the SEC granting the requested relief will be subject to the following conditions:

1. The New Management Agreements will have the same terms and conditions as the Current Management Agreements, except for their effective and termination dates.

2. Fees earned by MCM, World, and Framlington Management during the Interim Period will be maintained in an interest-bearing account with an unaffiliated financial institution, and amounts in the account (including interest earned on such amounts) will be paid (a) to MCM, World, and Framlington Management in accordance

[1] The Boards of Munder, Munder Trust, Framlington, and St. Clair met on April 7, 1998. The Boards of Select 1, Select 2, Great Lakes, Huron, Central Asset, Central Investment, and Lernoult met on May 7, 1998. The INVESCO Specialty Board met on May 13, 1998, and the Board of SEI Index Funds met on May 18, 1998.

with the New Management Agreements, after the requisite shareholder approval of the New Management Agreements is obtained, or (b) to such Investment Company in the absence of shareholder approval.

3. The Investment Companies will convene special meetings of shareholders to approve the New Management Agreements on or before the 150th day following termination of the Current Management Agreements (but in no event later than November 30, 1998).

4. The Investment Companies will not bear the costs of preparing and filing the Application, or any costs relating to the solicitation of approval of each Investment Company's shareholders of the New Management Agreements. These costs will be borne by MCM and World.

5. MCM, World, and Framlington will take all appropriate actions to ensure that the scope and quality of investment management services provided to the Investment Companies during the Interim Period will be at least equivalent, in the judgment of the Boards, including a majority of the non-interested directors/trustees, to the scope and quality of such services provided prior to the Interim Period. In the event of any material change in personnel providing services pursuant to the New Management Agreements, MCM, World, or Framlington Management, as appropriate, will apprise and consult with each Board to assure that the Board, including a majority of the non-interested directors/trustees, is satisfied that the services provided will not be diminished in scope or quality.

For the SEC, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–15277 Filed 6–8–98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40057; File No. SR–GSCC–98–02]

Self-Regulatory Organizations; Government Securities Clearing Corporation; Notice of a Proposed Rule Change Regarding the Implementation of the GCF Repo Service

June 2, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on April 10, 1998, the Government Securities Clearing Corporation (''GSCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by GSCC. The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change will allow GSCC to implement a new service called the ''GCF Repo service.'' The GCF Repo service will allow GSCC's dealer members to trade general collateral repos involving Government securities throughout the day without requiring intraday, trade-for-trade settlement on a delivery-versus-payment (''DVP'') basis.[2]

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, GSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. GSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.[3]

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The GCF Repo service has been developed as part of a collaborative effort among GSCC, its clearing banks,[4] industry representatives service on GSCC's Repo Implementation Committee, and its associated GCF Repo Working Group.

(1) General

The GCF Repo service will enable netting members of GSCC that are not interdealer brokers (''dealers'') to trade general collateral repos, based on rate and term, with interdealer broker netting members of GSCC (''brokers'') on a blind basis throughout each day. Brokers will be required to submit GCF Repo trade data to GSCC within five minutes of trade execution through a new terminal function. Brokers will not be able to submit GCF Repo trades in batch. Upon receipt of the trade data, GSCC immediately will report transaction details to dealers through a terminal dynamic display facility, and the GCF Repos will receive GSCC's settlement guarantee. Standardized, generic CUSIP numbers established exclusively for the GCF Repo service will be used to specify the acceptable type of underlying Fedwire book-entry eligible collateral, which will include Treasuries, Agencies, and mortgage-backed securities.[5]

Daily submission cutoff for GCF Repo trades will occur five minutes after a predetermined trading deadline, which initially will be 3:30 p.m. GSCC will reject all trades submitted for same-day processing that are received after the cutoff. Dealers initially will have until 3:45 p.m. to affirm or disaffirm trade data submitted against them by a broker. If a dealer takes no action either to affirm or to disaffirm trade data, the trade automatically will be deemed to be affirmed. GSCC will then conduct an afternoon net exclusively for GCF Repo activity and will establish a single net receive or deliver obligation for dealer members in each generic CUSIP.

Each dealer with a net deliver obligation will allocate acceptable securities (determined by the generic CUSIP) and will deliver those securities on a DVP basis to a GSCC account within the dealer's clearing bank using a modified triparty arrangement. GSCC will then instruct the clearing bank to deliver those securities to dealers that have net receive obligations. All GCF Repo activity will settle between dealers

[1] 15 U.S.C. 78s(b)(1).

[2] The complete text of the proposed rule change is attached as Exhibit A to GSCC's filing, which is available for inspection and copying at the Commission's public reference room and through GSCC.

[3] The Commission has modified the text of the summaries prepared by GSCC.

[4] Currently, GSCC's clearing banks are The Bank of New York and The Chase Manhattan Bank. Under the proposed rule change, any clearing bank that meets GSCC's operational requirements will be able to provide GCF Repo settlement services to GSCC netting members.

[5] Because GCF Repo trades will be conducted on a blind-brokered basis, the specific collateral will not be know at the time of the trade. Brokers will submit all GCF Repo trades to GSCC using generic general collateral CUSIPs that denote the underlying security. GSCC expects that the initial types of generic CUSIPs that will be used for GCF Repo activity will denote the following categories of securities: all Treasury securities, Treasury securities with a remaining maturity of ten years and under, all Fedwire-eligible Agency securities, and all Fedwire-eligible mortgage-backed securities. GSCC will continuously review with the members of its Repo Implementation Committee and with appropriate Bond Market Association committees the appropriateness of making eligible other types of generic CUSIPs.

and GSCC within the dealers' clearing banks.

GSCC initially will implement the GCF Repo product offering within each participating clearing bank separately. As a result, a participating dealer will be able to trade GCF Repos only with other dealers that use the same clearing bank. This will allow GSCC time to monitor and review the GCF Repo process as it operates on a limited basis, to detect processing inefficiencies before the service is made more broadly available, and to determine how best to effect after-hours interbank securities allocations.[6]

(2) Participant Eligibility

To be eligible for the GCF Repo service, brokers and dealers will be required to meet the qualifications for repo netting membership as defined in GSCC's rules. In addition, dealer members will be required to designate the brokers that are authorized to submit GCF Repo trades on their behalf. GSCC members that wish to become eligible to use the GCF Repo service also will be required to test with GSCC and to demonstrate that they are able to submit data to and to receive output from GSCC in the communications links, formats, timeframes, and deadlines established for the service.

(3) Securities Eligibility

Initially, the securities eligible for the GCF Repo service will be U.S. Treasury securities (other than inflation-indexed securities or STRIPs), Agency securities that are not mortgage-backed, and book-entry mortgage-backed securities that are Fedwire-eligible. GSCC will continuously review with the members of its Repo Implementation Committee and appropriate Bond Market Association committees the appropriateness of making eligible other types of securities.

(4) Broker Submission

All GCF Repos will be executed by dealers as money-fill transactions through eligible GSCC brokers on a blind-brokered basis.[7] Brokers will be required to submit GCF Repo trades within five minutes of trade execution. Each GCF Repo trade will have a single dealer on the repo side that is matched to a single dealer on the reverse side. To facilitate this prompt submission, GSCC will implement a new terminal facility that will provide the following services:

(a) Large Trade Submission. Brokers will be able to submit GCF Repo trades to GSCC having a principal values of up to $2 billion. The current maximum transaction size is $50 million. Therefore, for a $2 billion trade, a broker will be able to make a single entry instead of the eighty entries that would currently be required to satisfy both sides of the trade. GCF Repos will have a $1 million minimum transaction size and a $1 million multiple requirement.

(b) Single Screen Entry. Brokers will be able to submit data simultaneously for both the repo and reverse sides of the trade using a single screen.

(c) Data Entry Short-Cuts. The screen design will require brokers only to enter critical fields. GSCC automatically will populate certain fields, such as trade date and start date, with default values. Brokers will not have to enter any information that differs from the default values. The system also will automatically calculate the end money for the repo based on start amount, term and rate.

In addition to these specific broker submission services, GSCC will require that every broker participating in GCF Repo provide its terminal on GSCC's premises, so that GSCC operations staff can monitor whether the broker is satisfactorily fulfilling its GCF Repo trade submission responsibilities.

(5) Trade Recording and Dealer Notification

GSCC will immediately record, as compared, all GCF Repos upon receipt of trade data from the brokers. This type of ''locked-in'' trade recording, called broker-assisted processing, will replace the traditional matched comparison process. As a result, both the repo and reverse sides of the transaction will be processed solely based upon broker input without requiring the submission and matching of corresponding trade details from the dealer members.

By using input from a single, approved submission source (*i.e.*, brokers) to process GCF Repos, the intrinsic limitations and processing delays associated with two-sided comparison will be avoided. This is especially important in order to effectively net each dealer's GCF Repo activity on a real time basis, as opposed to the overnight process that is currently performed for regular buy/sell and repo activity.

Upon receipt of trade data from the brokers, GSCC will immediately provide dealers with GCF Repo transaction details by way of a dynamic, real time, online display. The most recent trades will be displayed in a window at the bottom of these screens while current position information will be displayed at the top of the screen. Position information will be available at both the individual CUSIP level and the cumulative, overall level.

(6) Dealer Affirmation

Dealers will have an obligation to promptly review GCF Repo trades and either affirm or disaffirm them. Affirming a trade will indicate that the dealer recognizes the trade and agrees to its terms. If a dealer disaffirms a trade, its GCF Repo position automatically will be adjusted, and a notification will be sent to the broker for prompt resolution. During the affirmation process, dealers will have the ability to provide their reference number. Entry of a reference number will result in the automatic affirmation of the trade.

Any trade that has not been affirmed or disaffirmed by the close of business will be affirmed automatically by the system.[8] Because prompt review of transactions is critical in a same-day processing environment, GSCC will assess penalties for late dealer affirmations.

(7) GCF Repo Netting and Position Reporting

GSCC will net all GCF Repo trades intraday for each dealer into a single net settlement position for each generic general collateral CUSIP submitted. This position will represent the aggregate net dollar amount borrowed by the repo dealer or ''loaned'' by the reverse dealer.

Each day, GCF Repo netting will consist of adding all of the carryover activity (*i.e.*, previous term and previously submitted forward-starting activity that is starting on the current day) for GCF Repos together with the current day's activity. As a result, positions associated with term repos will be renetted each day with the dealer's current activity. GSCC will provide netting results to the clearing banks and its netting dealer members. Clearing banks participating in GCF Repo will be responsible for notifying

[6] GSCC currently is engaged in discussions with staff of the Federal Reserve Bank of New York regarding the appropriateness of GSCC's proposed means for accomplishing ''after-hours'' interbank securities allocations. Assuming a satisfactory resolution of the issues involved, which may require, among other things, the Board of Governors of the Federal Reserve System to issue for public comment GSCC's proposal for the opening of the securities Fedwire after its normal close, GSCC expects to expand the GCF Repo product to allow a participating dealer to engage in GCF Repo trading with dealers that use different clearing banks.

[7] GSCC will consider expanding the GCF Repo service to allow for direct dealer input of data on dealer-to-dealer trading at some point in the future when real time processing capabilities have been established between dealers and GSCC.

[8] GSCC will send a message to participants fifteen minutes prior to running the automated process that will affirm all pending trades.

their members regarding the allocation of collateral and the transfer of funds.

GSCC will carry every GCF Repo trade in its system and will be responsible for maintaining a database of all financial data for the repos that are traded. This will include tracking all relevant terms of each transaction and insuring that the appropriate final settlement amounts are paid at the conclusion of each repo.

Real time, online output will be provided to brokers, dealers, and the clearing banks over GSCC terminals to provide all transaction and position information necessary for the intraday processing of GCF Repo activity. Brokers and dealers will have the ability to view real time position information, both at the individual CUSIP and overall position levels, on their terminals throughout the day. The bottom of each position screen also will include a revolving dynamic display of the five most recent transactions processed against that participant. Each clearing bank will have the ability to monitor the positions of its clearing members using its terminal and also will be able to monitor projected interbank position and funds movements when that service is made available.

(8) Securities Allocation

Each dealer that is a net lender of securities through GCF Repo will be responsible for allocating the appropriate collateral (as defined by the generic general collateral CUSIP) to its clearing banks using whatever mechanism it mutually agrees upon with the bank. All such collateral movements will be made on a DVP basis to and from a GSCC account. Dealers will have to give priority to the allocation of GCF Repo collateral so that reallocation to the ultimate customer may occur promptly. To encourage timely collateral allocation, GSCC will impose a penalty on collateral allocations that are made after 4:30 p.m. Allocations not made by 7:00 p.m. will be considered fails.

Dealers that receive securities as the result of reverse GCF Repos will be required to reallocate them to a location that is available for reversal before the opening of the securities wire on the next day. Examples of these locations are overnight triparty repos, hold-in-custody repos, and bank loans.

(9) Next-Day Return of Collateral

All GCF Repo positions will be reversed on the morning of the next business day prior to the opening of the securities Fedwire. This next day reversal will occur for all GCF transactions regardless of the term of the transaction. The repos themselves will be fully collateralized intraday by cash.

(10) Risk Management

GCF Repo transactions and resulting settlement obligations will be subject to all of GSCC's existing risk management processes. GSCC will be able to appropriately assess its members' overall, cumulative exposure as a result of their combined DVP buy/sell and repo activity and their GCF Repo activity.

(a) *Interest Rate Mark-to-Market.* GSCC employs a forward margin process to protect GSCC and its members against market value fluctuations in securities prices and repo interest rates for guaranteed trades from their submission date through to their settlement date. This process is required because in the event of a participant default, GSCC, as transaction guarantor and counterparty, must maintain funds sufficient to replace the defaulting member's settlement obligations at their current market value. Therefore, each day all outstanding trades are marked from contract value to market value. For repos, this mark-to-market includes the cost of financing from the later of the start date or the current date to the scheduled end date. Forward margin debits and credits are settled each day through GSCC's daily funds-only settlement process.

GSCC will perform a daily interest rate mark-to-market for all term GCF Repo activity to bring transactions to their current replacement value.[9] The mark will result in the daily collection and pass-through of accrued repo interest to date plus or minus the repo rate differential.[10] The GCF Repo interest rate mark will be incorporated into GSCC's regular daily funds-only settlement process. Additionally, there will be a separate marking process for forward-starting GCF Repos that will be the same as the marking process currently employed for marking forward-starting DVP repos.

(b) *Clearing Fund.* GSCC requires its netting members to maintain deposits in the GSCC clearing fund account to provide adequate risk protection and liquidity in the event of a participant failure. The clearing fund guards against potential market exposure that could occur between the current date and the liquidation date of an insolvent participant's obligations. GSCC accomplishes this by calculating the net effect of: (1) Estimated daily changes in the value of the securities underlying each participant's transactions; (2) estimated daily fluctuations in repo rates for the participant's repo activity; and (3) each participant's estimated funds settlement exposure. All of these estimates of exposure are based on an extensive analysis of historical rate and price volatility and cover at least two standard deviations of all historical movements. GCF Repo activity will be included in all three clearing fund calculations.

(i) Securities Liquidation Component

The risk associated with security receive and deliver obligations is based on price volatility. If a participant were to default, GSCC would ensure that all of that participant's obligations settled. This would expose GSCC to differences in current market value and liquidation value. The securities liquidation component of the clearing fund accounts for this exposure. In order to provide appropriate protection for the market risk associated with the underlying collateral, for GCF Repo activity GSCC will calculate the securities liquidation component based upon a representative portfolio of securities as designated by each generic general collateral CUSIP.

(ii) Repo Volatility Component

Where market exposure related to the underlying collateral is provided for in the securities liquidation component of the clearing fund, the risk pertaining to the interest amount is accounted for in the repo volatility component. The repo volatility component estimates the amount repo rates might change over the course of a repo. Calculations for this component are based on analysis of historical repo rate volatility.

(iii) Funds Adjustment (''FAD'') Component

The FAD portion of the clearing fund is based on each participant's average funds-only settlement amount. The relevant variable in this calculation is the size of the settlement amount. It does not matter whether the funds are collected or paid. The FAD component is the average of the absolute value of the twenty largest funds-only settlement amounts over the most recent seventy-five business days.

(c) Intraday Risk Protections. GSCC plans to manage intraday risk by maintaining the capability to run clearing fund calculations multiple

[9] Because all GCF Repos will be processed using generic CUSIPs, the underlying collateral will not be marked by GSCC. However, clearing banks will be responsible for ensuring that allocated collateral conforms to the terms of the contract and that the collateral value is equal to 100% of the principal value of the repo.

[10] The rate differential will be equal to the difference between the contractual repo rate for the term and the GSCC replacement cost repo rate.

times throughout the day to assess the impact of significant changes in position on clearing fund deposit requirements and by making margin calls as necessary. Further, the calculation of net settlement positions arising from GCF Repo activity will be dynamic which will allow GSCC and clearing banks to perform real time position monitoring.

(d) Loss Allocation Procedure. GSCC has analyzed the appropriateness of its current loss allocation procedure in light of the unique aspects of the GCF Repo service. GSCC has concluded that its current loss allocation procedure remains the most fair and equitable means of allocating any loss that might arise from the insolvency of a member that engaged in GCF Repo activity. Thus, GSCC's loss allocation procedure will remain the same for GCF Repo activity.

(11) Trade Modification/Cancellation

The rules for GCF Repo trade modification are: (1) Any data input field on an unaffirmed trade may be modified unilaterally by the broker at any time during the processing day and (2) dealers may not modify any data on GCF repos; rather they must cancel (or request cancellation of) the trade. The modification of an unaffirmed trade will result in the immediate replacement of the original trade and all affected processing screens will be immediately updated accordingly.

The submission of a request for cancellation of an affirmed trade will result in the generation of a trade cancellation request to the original broker or dealer. Upon approval of the cancel request, the approving dealer will automatically be replaced by the broker in the transaction. The broker will carry the position and incur all associated responsibilities unless and until the broker submits a correcting entry (*i.e.,* an entry where the broker enters a new single-sided transaction with the correct dealer to eliminate the broker's position).

The two basic rules for canceling GCF Repos are: (1) An unaffirmed trade may be unilaterally canceled by either the broker or the dealer at any time during the processing day and (2) a trade that has been affirmed, either by a dealer or by the system as part of end-of-day processing, will require bilateral cancellation. This means that a broker may cancel a trade unilaterally at any time during the day if it has not been affirmed by either the dealer or by the system. A unilateral cancellation of a GCF Repo trade by the broker will result in the cancellation of both sides of the trade. Trade cancellation by the broker will result in the cash and collateral positions being reversed by the amount of the canceled trade and taken out of account balances.

A dealer may cancel a GCF Repo trade unilaterally at any time during the day if it has not been affirmed either by the dealer or by the system. Trade cancellation will result in the dealer's cash and collateral position balances being adjusted by the amount of the canceled trade, and the automatic replacement of the dealer by the broker in the transaction. The broker will carry the position and incur all associated responsibilities unless and until the broker submits a correcting entry (*i.e.,* an entry where the broker enters a new single-sided transaction with the correct dealer to eliminate the broker's position). Cancellation of a trade by the dealer results in the cancellation of that dealer's side only. The other dealer's side of the trade will remain intact.

Cancellation of trades that have been affirmed by the dealer or by the system will be required to be bilateral (*i.e.,* if the dealer requests a cancellation, the broker must approve it and vice-versa). A dealer or broker request for cancellation of an affirmed trade that is not acted upon by the counterparty will require manual intervention by GSCC operations to determine whether or not the trade should be canceled.

(12) Output and Reports

GSCC will establish a separate reporting stream to produce a full range of machine-readable output (''MRO'') and print image end-of-day reports for the GCF Repo service, which will be substantially similar to the output currently provided to participants in conjunction with their regular cash and repo trading activity. In accommodating the GCF Repo service, GSCC will attempt to limit the number and magnitude of changes made to existing MRO formats in order to minimize the development effort required by participating members.

(13) Benefits

GSCC believes that the GCF Repo service will bring numerous benefits to the Government securities marketplace, including the following:

(a) Increased Liquidity. The GCF Repo service should improve market liquidity by adding an additional resource to current borrowing options (*i.e.,* bank loans and triparty repos). Liquidity should be further enhanced by providing to the dealer community open access to a multitude of funds providers and by allowing for the bulk movement of collateral between dealers.

(b) Enhanced Ability to Trade General Collateral Repos. The GCF Repo service should enhance the ability to trade general collateral repos by removing the current constraints of collateral allocation and notification imposed on every transaction. As a result, dealers will be able to freely trade rate and term while having only one settlement on a net basis at the end of the day.

(c) Additional Collateral Source. The GCF Repo service provides an alternative vehicle for dealers to buy or sell collateral, finance positions, or swap collateral.

(d) Risk Protection. Through netting and novation, GSCC will become the legal contraparty to all GCF repos within minutes of execution and thereby eliminate counterparty risk. In addition to GSCC's current risk management procedures, dynamic risk assessment processes will be implemented to address any intraday risk associated with the GCF Repo service.

(e) Open Access. The GCF Repo service will be available to a broad spectrum of industry participants. These will include brokers, dealers, securities lenders, money borrowers, and any qualified clearing bank that provides clearance services to GSCC members.

(14) Statutory Basis for the Proposed Rule Change

GSCC believes that the proposed rule change is consistent with the requirements of the Section 17A of the Act [11] and the rules and regulations thereunder because they will allow GSCC to offer to all of its netting members on an equal basis a service that will provide them with enhanced ability to engage in general collateral trading activity in a safe and efficient manner.

(B) Self-Regulatory Organization's Statement on Burden on Competition

GSCC does not believe that the proposed rule change will have an impact or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not yet been solicited or received. GSCC will notify the Commission of any written comments received by GSCC.

[11] 15 U.S.C. 78q–1.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of GSCC. All submissions should refer to File No. SR–GSCC–98–02 and should be submitted by June 30, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[12]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–15214 Filed 6–8–98; 8:45 am]

BILLING CODE 8010–01–M

[12] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40058; File No. SR–Phlx–98–21]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to the Listing and Trading of Options on the Over-The-Counter Prime Index

June 2, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on May 15, 1998, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Phlx. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx proposes to list and trade European style, cash-settled options, including long term options,[3] on the Over-The-Counter Prime Index[4] (''OTC Prime Index'' or ''Index''), a price weighted, A.M. settled index composed of fifteen[5] stocks which are considered the ''most active''[6] stocks traded on the Nasdaq market.

The Exchange is filing this proposal pursuant to Phlx 1009A(b) which provides for the commencement of trading of options on the Index thirty (30) days after the date of this filing. The Exchange believes the proposal is in compliance with Rule 1009A(b) and the standards approved in the Generic Index Option Approval Order (''Generic Index Approval Order'').[7]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Phlx Rule 1101A(b)(iii). Long term options are also known as LEAPs.

[4] The Exchange submitted a pre-filing on April 30, 1998 in accordance with the Generic Index Approval Order. *See* Generic Index Approval Order, *infra* note 7. Since the pre-filing the Exchange has changed the name of the Index from the ''Over-The-Counter Most Active Index'' to the ''Over-The-Counter Prime Index'' and the trading symbols have changed. However, the Exchange represents that none of the other contract specifications have been modified since the pre-filing.

[5] Since the pre-filing on April 30, 1998, the Exchange added three stocks to the Index increasing the number of components in the Index from 12 to 15 in order to alleviate concerns regarding the concentration of the five highest-weighted securities.

[6] Most active is defined as those underlying securities which had the largest trading volume in the previous year.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Phlx included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Phlx has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to list for trading European style, cash-settled options on the OTC Prime Index, a new index developed by the Exchange pursuant to Rule 1009A(b) in accordance with the Generic Index Approval Order for the listing and trading of narrow-based index options. Options on this Index will provide a hedging vehicle for a group of some of the most active securities traded on the Nasdaq market. In order to assure that the Index reflects the most active securities traded on the Nasdaq market, the Index will be rebalanced annually to reflect the previous year's fifteen most actively traded issues.

Pursuant to Rule 1009A, (1) the options on the Index will be A.M. settled; (2) the Index is price weighted; (3) no one component security will represent more than 25% of the weight of the Index, and the five highest weighted component securities in the Index do not in the aggregate account for more than 60% of the weight of the Index; (4) each of the component securities has a minimum market capitalization of a least $75 million and has a trading volume in each of last six months of not less than 1,000,000 shares; (5) all of the components of the Index meet the current criteria for standardized options trading set forth in Exchange Rule 1009 and are currently the subject of listed options on U.S.

[7] *See* Securities Exchange Act Release No. 34157 (June 3, 1994) 59 FR 30062 (June 10, 1994) (order approving File Nos. SR–Amex–92–35; SR–CBOE–93–59; SR–NYSE–94–17; SR–PSE–94–07; and SR–Phlx–94–10). The Generic Index Approval Order established generic listing standards for options on narrow-based indexes and adopted streamlined procedures for introducing trading in options satisfying the generic listing standards.

options exchanges; (6) the Index contains no American Depositary Receipts (''ADRs''); and (7) all component stocks are listed on the Nasdaq and are reported National Market System securities pursuant to Rule 11Aa3–1 of the Act.[8]

The OTC Prime Index value will be disseminated every 15 seconds during the trading day. The Phlx has retained Bridge Data Inc. to compute and do all necessary maintenance of the Index.[9] Pursuant to Phlx Rule 1100A, updated Index values will be disseminated and displayed by means of primary market prints reported by the Consolidated Tape Association and over the facilities of the Options Price Reporting Authority. The Index value will also be available on broker-dealer interrogation devices to subscribers of options information. The Exchange represents that both the Exchange and the Options Price Reporting Authority[10] have the necessary systems capacity to handle the additional traffic of the OTC Prime Index.

As of May 13, 1998, the market capitalization of all the stocks in the Index exceeded $680 billion and such individual capitalizations ranged from $3 billion (Quantum Corporation) to $214 billion (Microsoft Corporation). All fifteen component issues in the Index had average daily trading volumes in excess of one million shares over the past six months. The Exchange believes the component issues are some of the most widely-held and highly-capitalized common stocks.

Ticker Symbol: OTX.

Settlement Symbol: OTS.

Index Calculation: The Index is a price weighted index. To compute the Index value, the following formula would be used:

$$\frac{SP_1 + SP_2 + \ldots SP_{15}}{4} \times 100$$

Where: SP=current stock price

The Initial divisor in an arbitrary number set to achieve a certain index value. The divisor for this Index will be 4.0 will result in an Index value of 188.70 on May 13, 1998. *Index Maintenance:* To maintain the continuity of the Index, the divisor will be adjusted to reflect non-market changes in the price of the component securities as well as changes in the composition of the Index. Changes which may result in divisor adjustments include, but are not limited to, stock splits, dividends, spin-offs, mergers and acquisitions. In accordance with Rule 1009A, if any change in the nature of any component (*e.g.*, delisting, merger, acquisition or otherwise) in the Index will change the overall market character of the Index, the Exchange will take appropriate steps to remove the stock or replace it with another stock that the Exchange believes would be compatible with the intended character of the Index. Any replacement components will be reported securities as defined in Rule 11Aa3–1 of the Act.[11] The Index will be rebalanced on an annual basis to reflect the previous year's fifteen most active issues traded on the over-the-counter market.

Pursuant to Rule 1009(c)(2), the Exchange will not increase to more than 20 or decrease to less than 10, the number of components comprising the Index during the year. However, at the end of the calendar year the Index will be rebalanced in order to reflect fifteen of the most actively traded issues from the previous year. The Exchange maintains that the component stocks comprising the top 90% of the Index, by weight, will each maintain a minimum market capitalization of $75 million. The remaining 10%, by weight, will each maintain a minimum market capitalization of $50 million. The component stocks comprising the top 90% of the Index, by weight, will maintain a trading volume of at least 500,000 shares per month. The trading volume for each of the component stocks constituting the bottom 10% of the Index, by weight, will maintain an average trading volume of at least 400,000 shares per month. No fewer than 90% of the component issues by weight or fewer than 80% of the total number of the components qualify as stocks eligible for options trading. In addition to the maintenance criteria above, no single component of the Index shall account for more than 25% of the Index and the five highest weighted component securities shall not account for more than 60% of the Index.[12]

If the Index fails at any time to satisfy one or more of the required maintenance criteria, the Exchange will notify the Commission staff immediately of that fact and will not open for trading any additional series of options on the Index, unless the above is determined by the Exchange not to be significant and the Commission concurs in that determination, or unless the continued listing of options on the OTC Prime Index has been approved by the Commission under Section 19(b)(2) of the Act.[13] In addition to not opening for trading any additional series, the Exchange may, in consultation with the Commission, prohibit opening purchase transactions in series of options previously opened for trading to the extent that the Exchange deems such action necessary or appropriate.[14] The components which are substituted in the Index will comply with the maintenance requirements above.

Unit of Trading: Each options contract will represent $100, the Index multiplier, times the Index value. For example, an Index value of 200 will result in an option contract value of $20,000 (100 × 200).

Excercise Price: The exercise prices will be set in accordance with Phlx Rule 1101A(a).

Settlement Value: Because all of the components are national Market Securities traded through Nasdaq, the first reported sale price will be used for the final settlement value for expiring Index option contracts. In the event that a component security does not open for trading on the last day before the expiration of a series of Index options, the previous day's first reported sale price for that security will be used in calculating the Index value. However, in the event that the Options Clearing Corporation (''OCC'') determines that the current Index value is unreported or otherwise unavailable (including instances where the primary market for securities representing a substantial part of the value of the Index is not open for trading at the time when the current Index value used for exercise settlement purposes would be determined), the OCC shall determine an exercise settlement amount for the Index in accordance with Article XVII, Section 4 of the OCC By-laws.[15]

Last Trading Day: The last business day prior to the third Friday of the month for options which expire on the Saturday following the third Friday of that month.

Trading Hours: 9:30 a.m. to 4:02 p.m. EST.

Position and Exercise Limits: Pursuant to Phlx Rules 1001A(b)(i) and 1002A,

[8] 17 CFR 240.11Aa3–1.

[9] As a back-up to Bridge Data Inc., the Phlx will utilize its own internal index calculation system called the Index Calculation Engine (''ICE'') System.

[10] *See* Letter from Joe Corrigan, Executive Director, Options Price Reporting Authority to Michael Walinskas, Senior Special Counsel, Division, Commission, dated May 4, 1998.

[11] 17 CFR 240.11Aa3–1.

[12] If the concentration of the five highest-weighted securities increase to above 60%, then the Exchange warrants that it will increase the number of components in the Index to 16 components. The Exchange will monitor the concentration of the top five components in the Index on a monthly basis.

[13] *See* Phlx Rule 1009A.

[14] *See* Phlx Rule 1010

[15] *See e.g.*, OCC Article XVII, Section 4 and Securities Exchange Act Release No. 37315 (June 17, 1996) 61 FR 32471 (June 24, 1996) (order approving File No. SR–OCC–95–19).

the position and exercise limits will be 12,000 contracts.

Expiration Cycles: Three months from the March, June, September, December cycle plus at least two additional near-term months. LEAPs may also be traded on the Index pursuant to Phlx Rule 1101A(b)(iii).

Exercise Style: European.

Premium Quotations: Premiums will be expressed in terms of dollars and fractions of dollars pursuant to Phlx Rule 1033A. For example, a bid or offer of 1½ will represent a premium per options contract of $150 (1½ × 100).

The options will be traded pursuant to current Phlx rules governing the trading of index options including provisions addressing sales practices, floor trading procedures, position and exercise limits, margin requirements and trading halts and suspensions.[16] The Exchange also represents that surveillance procedures currently used to monitor trading in index options will be applicable to this Index. These procedures include having complete access to trading activity in the underlying securities which are all traded on Nasdaq. In addition, the Intermarket Surveillance Group (''ISG'') Agreement dated July 14, 1983, as amended on January 29, 1990, will be applicable to the trading of options on the Index.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act[17] in general, and in particular with Section 6(b)(5),[18] in that it is designed to promote just and equitable principles of trade, prevent fraudulent and manipulative acts and practices, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to and facilitating transactions in securities to remove impediments to and perfect the mechanism of a free and open market and a national market system, as well as to protect investors and the public interest by providing a hedging vehicle for the group of 15 of the most actively-traded securities on the Nasdaq market.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Phlx does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the Exchange, and therefore, has become effective pursuant to Section 19(b)(3)(A) of the Act[19] and paragraph (e) of Rule 19b–4 thereunder.[20] At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW, Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR–Phlx–98–21 and should be submitted by June 30, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[21]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–15278 Filed 6–8–98; 8:45 am]

BILLING CODE 8010–01–M

[16] *See,* Phlx Rule 722, Phlx Rules 1000A through 1102A and generally Phlx rules 1000 through 1072.

[17] 15 U.S.C. 78f.

[18] 15 U.S.C. 78f(b)(5).

[19] 15 U.S.C. 78S(b)(3)(A).

[20] 17 CFR 240.19b–4.

[21] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities; Request for Emergency Review by the Office of Management and Budget

The Social Security Administration publishes a list of information collection packages that will require clearance by OMB in compliance with P.L. 104–13 effective October 1, 1995, The Paperwork Reduction Act of 1995. The information collection listed below has been submitted to OMB for emergency clearance. OMB approval has been requested by June 18, 1998: 0960–NEW. Survey of Widows(ers) Eligible for Higher Retirement Benefits. The Social Security Administration will survey a sample of widow(er) beneficiaries over the age of 70 to determine whether they would file for the higher retirement benefit for which they appear eligible, if the opportunity to file for this benefit was explained in a person contact. Two attempts to contact the beneficiaries by letter have already been made, but the beneficiaries have not filed for the additional benefits, which could be a substantial increase. The information collected from this sample population will provide the empirical basis for reaching a decision regarding whether some or all of the approximately 23,000 beneficiaries in the entire population should be personally contacted. The respondents are a sample of over age 70 SSA title II beneficiaries who are eligible to receive a higher retirement benefit.

Number of Respondents: 390.

Frequencey of Response: 1.

Average Burden Per Response: 10 Minutes.

Estimated Annual Burden: 65 hours.

To receive a copy of the form or clearance packages, call the SSA Reports Clearance Officer on (410) 965–4145 or write to him at the address listed below. Written comments and recommendations regarding the information collection (s) should be directed to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses:

(OMB) Office of Management and Budget, OIRA, Attn: Laura Oliven, New Executive Office Building, Room 10230, 725 17th St., NW, Washington, DC 20503

(SSA) Social Security Administration, DCFAM, Attn: Frederick W.

Brickenkamp, 6401 Security Blvd, 1–A–21 Operations Bldg., Baltimore, MD 21235.

Dated: June 3, 1998.

Frederick W. Brickenkamp,

Reports Clearance Officer, Social Security Administration.

[FR Doc. 98–15298 Filed 6–8–98; 8:45 am]

BILLING CODE 4190–29–M

DEPARTMENT OF STATE

[Public Notice No. 2836]

United States International Telecommunications Advisory Committee; Radiocommunication Sector; Study Group 4—Fixed Satellite Service; Meeting Notice

The Department of State announces that the United States International Telecommunications Advisory Committee (ITAC), Radiocommunication Sector Study Group 4—Fixed Satellite Service will meet on June 11, 1998 from 1:30 p.m. to 4:30 p.m., in Room 5951 at the Department of State, 2201 C Street, N.W., Washington, D.C. 20520.

Study Group 4 studies and develops recommendations concerning systems and networks for fixed satellites and inter-satellite links in the fixed satellite service including associated tracking, telemetry and telecommand functions. This meeting will review Study Group 4 international activities and began preparations for the October meeting of Study Group 4.

Members of the General Public may attend these meetings and join in the discussions, subject to the instructions of the Chairman, David Weinreich.

Note: If you wish to attend please send a fax to 202–647–7407 not later than 24 hours before the scheduled meeting. On this fax, please include subject meeting, your name, social security number, and date of birth. One of the following valid photo ID's will be required for admittance: U.S. driver's license with your picture on it, U.S. passport, U.S. Government ID (company ID's are no longer accepted by Diplomatic Security). Enter from the ''C'' Street Main Lobby.

Dated: May 28, 1998.

John T. Gilsenan,

Chairman, U.S. ITAC for ITU-Radiocommunication Sector.

[FR Doc. 98–15350 Filed 6–4–98; 3:56 pm]

BILLING CODE 4710–07–M

DEPARTMENT OF STATE

[Public Notice No. 2837]

United States International Telecommunications Advisory Committee; Radiocommunication Sector; Study Group 8—Mobile Services; Meeting Notice

The Department of State announces that the United States International Telecommunications Advisory Committee (ITAC), Radiocommunication Sector Study Group 8—Mobile Services will meet on June 16, 1998 from 2 p.m. to 4 p.m. in Room 1207 at the Department of State, 2201 C Street, N.W., Washington, DC 20520.

Study Group 8 studies and develops recommendations concerning technical and operating characteristics of mobile, radiodetermination, amateur and related satellite services. This meeting will prepare for the July 7–8, 1998 international meeting of Study Group 8.

Members of the General Public may attend these meetings and join in the discussions, subject to the instructions of the Chairman, John T. Gilsenan.

Note: If you wish to attend please send a fax to 202–647–7404 not later than 24 hours before the scheduled meeting. On this fax, please include subject meeting, your name, social security number, and date of birth. One of the following valid photo ID's will be required for admittance: U.S. driver's license with your picture on it, U.S. passport, U.S. Government ID (company ID's are no longer accepted by Diplomatic Security). Enter from the ''C'' Street Main Lobby.

Dated: May 28, 1998.

John T. Gilsenan,

Chairman, U.S. ITAC for ITU-Radiocommunications Sector.

[FR Doc. 98–15351 Filed 6–4–98; 8:45 am]

BILLING CODE 4710–07–M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

United States-European Union Transatlantic Economic Partnership

AGENCY: Office of the United States Trade Representative.

ACTION: Notice and Request for Comments.

SUMMARY: Pursuant to their recently-announced Transatlantic Economic Partnership (TEP) initiative, the United States and the European Union (EU) have proposed: to negotiate the reduction of barriers to U.S.-EU trade in goods, services, and agricultural products; cooperate in promoting international efforts to open markets around the world, and encourage the bilateral exchange of views between governments, business, non-governmental organizations on trade, investment, and related issues. The Office of the United States Trade Representative seeks public comment on the initiative, including possible areas for negotiation and cooperation, and on procedures to obtain advice from interested parties.

DATES: Comments should be submitted no later than July 6, 1998.

ADDRESSES: Comments may be submitted to Gloria Blue, Executive Secretary, TPSC, Office of the U.S. Trade Representative, Room 503, 600 17th Street, N.W., Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT: Ralph Ives, Deputy Assistant U.S. Trade Representative for Europe and the Mediterranean or Mark Mowrey, Director for European Regional Affairs (202) 395–4620.

SUPPLEMENTARY INFORMATION: On May 18, 1998, President Clinton and his EU counterparts issued a joint statement announcing the TEP (reprinted following this notice). The TEP will have three components: (1) Negotiations to reduce barriers to bilateral trade in services, industrial goods, and agricultural products; (2) cooperative efforts in the World Trade Organization (WTO) and other international organizations to reduce or eliminate barriers that hinder international trade and capital flows and to address other related issues; (3) and efforts to enhance the transatlantic dialogue between business, non-governmental organizations, and governments on trade and investment matters.

The bilateral trade and investment component of the TEP will address trade barriers, particularly unnecessary regulatory impediments, that hinder transatlantic trade in such sectors as electronic commerce, services, agricultural products, government procurement, and intellectual property rights (IPR), while seeking to advance shared labor and environmental values. U.S. and EU efforts to increase their cooperative efforts in appropriate multilateral organizations will encompass such areas as services, agricultural goods, industrial tariffs, IPR, trade facilitation, electronic commerce, government procurement, trade and the environment, and support for the observance of internationally-recognized core labor standards.

The TEP will be implemented in a transparent manner that places a high priority on obtaining the views of business, labor, environmental, and

other interested non-governmental constituencies. As a first step toward implementing the TEP, U.S. agencies will work with the EU to develop an action plan and timetable for achieving results.

Public Comments

In conformity with the regulations of the Trade Policy Staff Committee (''TPSC'') (15 CFR Part 2003), the Chairman of the TPSC invites written comments from interested persons on the scope of this initiative, proposals for negotiation and/or cooperation, and procedures to enhance transparency and non-government participation in the TEP. Comments are invited in particular on: (a) Specific initiatives to reduce barriers to bilateral trade and investment in the sectors and subject areas included in the TEP; (b) specific proposals for enhanced bilateral cooperation in the WTO or other appropriate international organizations, as described in the joint statement, regarding trade in services, IPR, agricultural products, electronic commerce, trade and the environment, and labor issues; (c) the economic benefits and costs to U.S. producers and consumers of trade and investment barrier reduction under the TEP; (d) specific proposals for procedures to facilitate the exchange of views between business and other non-governmental constituencies and the governments concerned regarding matters subject to the TEP; and (e) other aspects of the initiative, including its labor, environmental, health, and safety aspects.

Interested persons may submit written comments, in five (5) typed copies, as soon as possible but no later than July 6, 1998. Comments should state clearly the position taken and should describe the specific information (including data, if possible) supporting that position. Any business confidential material must be clearly marked as such on the cover page (or letter) and succeeding pages and must be accompanied by non-confidential summary thereof.

Non-confidential submissions will be available for public inspection at the USTR Reading Room, Room 101, Office of the United States Trade Representative, 600 Seventeenth Street, NW, Washington, DC. An appointment to review the file may be made by calling Brenda Webb at (202) 395–6186. The reading room is open to the public by appointment only from 9:30 a.m. to 12:00 noon and from 1:00 p.m. to 4:00 p.m., Monday through Friday.

Frederick L. Montgomery,

Chairman, Trade Policy Staff Committee.

EU/US Summit, London 18 May 1998

The Transatlantic Economic Partnership

1. The transatlantic economic relationship is underpinned by the most important trade and economic links in the world. In order to strengthen further these links to the benefit of our people and firms, we have decided to build on the New Transatlantic Agenda signed in Madrid in 1995. This initiative will reinforce our cooperation and joint leadership in international economic relations and fora.

2. The European Union (EU) and the United States (US) share the world's largest and most complex economic relationship. Two-way trade represents around one-fifth of each other's total for goods and one-third for services. Furthermore the US and EU each account for approximately half of the other's foreign direct investment abroad. The prosperity of our populations is intertwined to an ever-increasing extent; and as the European Union has grown and deepened its integration, this process has accelerated.

3. We have a fundamental interest in a dynamic, respected system of international trade rules. The size of our economies and the volume of transatlantic trade and investment have a significant effect on this system. Past multilateral efforts to open markets have often been led by the US and EU. As we look ahead, it will be important for the US and EU of demonstrate our support for the further opening of markets world-wide.

4. In 1995, we committed ourselves to expand and deepen cooperation on economic issues through the New Transatlantic Agenda (NTA) by taking concrete steps to strengthen the multilateral trading system and enhance the transatlantic economic relationship. We are pleased with the progress of the NTA so far. Under the NTA, we have laid the basis for multilateral trade negotiations and have finalized agreements on mutual recognition of testing and conformity assessment, customs co-operation and equivalency in veterinary standards and procedures. And in December 1997 we committed ourselves to enhance our regulatory cooperation while facilitating consumer protection.

5. We now believe the time has come to build on the NTA's highly significant achievements. Accordingly, we agree to reinforce our close relationship through an initiative involving the intensification and extension of multilateral and bilateral cooperation and common actions in the field of trade and investment. Our reinforced partnership can be instrumental in setting the agenda for a more open and accessible world trading system and at the same time can greatly improve the economic relationship between the EU and US, reduce frictions between us, and promote prosperity on both sides of the Atlantic.

6. The partnership will encompass multilateral and bilateral elements as outlined below.

Multilateral Action

7. In keeping with our leading role in the world trade system, we reaffirm our determination to maintain open markets, resist protectionism and sustain the momentum of liberalization. The most effective means of maintaining open markets and promoting the expansion of trade is the continued development and strengthening of the multilateral system. The EU and US will give priority to pursuing their objectives together with other trading partners through the World Trade Organization. Today's WTO Ministerial Conference will play an important role in carrying forward the implementation of the WTO built-in agenda and in laying the groundwork for further multilateral negotiations leading to broad-based liberalization.

8. As part of our effort to strengthen further the multilateral system and seek wider trade liberalization, our shared objectives are:

(a) The full implementation of WTO commitments and respect for dispute settlement obligations;

(b) Ambitious objectives and offers for the liberalization of services in forthcoming WTO negotiations;

(c) The multilateral negotiations for the continuation of the reform process in agriculture in full conformity with Article 20 of the WTO Agreement on Agriculture;

(d) The intensification of forward-looking work in the WTO on trade facilitation;

(e) A broad WTO work programme for the reduction on an MFN basis of industrial tariffs and the exploration of the feasibility of their progressive elimination within a timescale to be agreed;

(f) The adoption of common positions on the respect for and further improvement of the intellectual property rights identified in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS);

(g) The development of common approaches in appropriate multilateral fora on investment competition, public procurement and trade and the environment;

(h) Cooperation on the accession of new members and the better integration of LLDCs in the multilateral trading system;

(i) The development of a comprehensive work programme for electronic commerce in the WTO covering trade-related aspects and will continue the current practice of not imposing customs duties on electronics transmissions;

(j) Support for the observance of internationally recognized core labour standards and the goal of reaching agreement on an ILO declaration and follow-up mechanism, noting the important role of the social partners in the process, and rejecting use of labour standards for protectionist purposes; and support for the continuation of the dialogue on measures in the relevant fora to combat corruption.

Bilateral Action

9. The EU and the US will intensify their efforts to reduce or eliminate barriers to trade and investment between them. This will be done in ways which are in full conformity with their international and, in particular, WTO obligations and supportive of the primary goal of multilateral liberalization

making as much progress as possible before 2000. Such efforts will expand transatlantic commerce and reduce frictions, benefiting both our peoples. We will maintain high standards of safety and protection for health, consumers and the environment. Our partnership will not create new barriers to third countries.

10. We will focus on those barriers that really matter to transatlantic trade and investment and to this end we will aim in particular at the removal of those regulatory barriers that hinder market opportunities, both for goods and for services. We will concentrate specifically on the following:

(a) Technical barriers to trade in goods, reinforcing our efforts for the elimination or substantial lowering of the remaining barriers, while further pursuing our commitment to high health, safety and environmental standards;

(b) Services, with the aim of substantially improving opportunities for market opening to the benefit of consumers and small, medium and larger enterprises;

(c) Agriculture, with the objective of strengthening our regulatory cooperation in the field of human, plant and animal health issues, including biotechnology, while recognizing the importance of continuing to improve our respective regulatory processes and of improving our scientific cooperation;

(d) Government procurement to increase and facilitate access to public procurement markets, including by enhancing the compatibility of electronic procurement information and government contracting systems;

(e) Intellectual property as identified in the Agreement on TRIPS in order to improve the protection of rightholders and to reduce costs.

11. We will build on efforts already underway for goods but extending to services, to cover as wide a range of barriers and sectors as possible identifying the priorities both for the near and longer term. Instruments to achieve this will be:

(a) The mutual recognition of testing and approval procedures, of equivalence of technical and other requirements and, in certain areas, where appropriate, the progressive alignment or, where possible, the adoption of the same standards, regulatory requirements and procedures adopting internationally agreed standards where possible;

(b) The intensification of the dialogue between scientific and other expert advisers, standard setting bodies, and regulatory agencies;

(c) High degree of transparency and consultation with all interested parties.

12. Within the framework of our bilateral partnership we will seek to advance our shared values in the areas of labour and environment.

13. We will explore the scope for further cooperative dialogue and greater compatibility of procedures between our competition authorities.

14. We will maintain and extend our work on electronic commerce as set out in the joint statement at the Washington Summit of December 1997.

Extending the Transatlantic Dialogue

15. The EU and US recall the imaginative and practical approach of EU and US business in the Transatlantic Business Dialogue which has contributed directly to many of the NTA's successes, such as the Mutual Recognition Agreement. We urge the TABD to continue and extend its valuable contribution to the process of removing barriers to trade and investment. We reaffirm our commitment in the New Transatlantic Agenda to promote dialogue between representatives of consumer and labour interests as illustrated by the helpful second meeting of the Transatlantic Labour Dialogue held in London in April. We invite interested non-governmental organizations to participate and extend this dialogue on consumer protection, scientific, safety and environmental issues relevant to international trade as a constructive contribution to policy making.

16. In line with our commitment to encourage greater transparency in the work of international trade bodies, we will seek to facilitate the closer association of business and other interested non-governmental constituencies with the activities of the WTO and other international trade organizations, as well as with our bilateral activities.

17. Within the framework provided by the NTA we will establish a dynamic process yielding concrete results with the intention of applying them, where agreed, at the relevant levels of government in the EU and the US; and to this end we will pursue the multilateral and bilateral actions set out in this statement as follows:

(a) Establish as soon as possible a Plan identifying areas for common actions both bilaterally and multilaterally, with a timetable for achieving specific results;

(b) Take all necessary steps to allow the early implementation of this Plan, including any necessary authority to start negotiations.[1]

[FR Doc. 98–15290 Filed 6–8–98; 8:45 am]

BILLING CODE 3190–01–M

[1] Nothing in this text constitutes an EU negotiating mandate.

DEPARTMENT OF TRANSPORTATION

Coast Guard

[USCG 1998–3927]

Chemical Transportation Advisory Committee, Subcommittee on Proper Cargo Names

AGENCY: Coast Guard, DOT.

ACTION: Notice of meeting.

SUMMARY: The Chemical Transportation Advisory Committee's (CTAC) Subcommittee on Proper Cargo Names (PCN) will meet to discuss various issues relating to use of proper cargo names for the marine transportation of hazardous materials in bulk. The meeting will be open to the public.

DATES: The PCN Subcommittee will meet on Tuesday, June 23, 1998, from 9 a.m. to 4 p.m. The meeting may end early if all business is finished. Written material and requests to make oral presentations should reach the U.S. Coast Guard on or before June 19, 1998. Requests to have a copy of your material distributed to each member of the CTAC Subcommittee should reach the U.S. Coast Guard on or before June 19, 1998.

ADDRESSES: The Subcommittee will meet at the American Bureau of Shipping (ABS), ABS Plaza, 16855 Northchase Drive, Houston, TX 77060–6008. Point of contact: Mr. Philip G. Rynn; tel.: 281–877–6415; fax.: 281–877–6795. Send written material and requests to make oral presentations to Mr. Curtis Payne, Commandant (G–MSO–3), U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593–0001. This notice is available on the Internet at http://dms.dot.gov.

FOR FURTHER INFORMATION CONTACT: For questions on this notice, contact Mr. Curtis Payne, telephone 202–267–1577, fax 202–267–4570. For questions on this docket, contact Ms. Carol Kelly, Coast Guard Dockets Team Leader, or Ms. Paulette Twine, Chief, Documentary Services Division, U.S. Department of Transportation, 202–366–9329.

SUPPLEMENTARY INFORMATION: Notice of these meetings is given under the Federal Advisory Committee Act, 5 U.S.C. App. 2.

Meeting Agenda

Subcommittee on Proper Cargo Names (PCN). The agenda includes the following:

(1) Discussion of the industry's cargo naming/identification processes: manufacturers, transfer facilities, tank barge industry, tankship industry.

(2) Root cause analysis of proper cargo name selection.

Procedural

The meeting is open to the public. Please note that the meeting may end early if all business is finished. At the Chair's discretion, members of the public may make oral presentations during the meeting. If you would like to make an oral presentation at the meeting, please notify Mr. Payne no later than June 19, 1998. Written material for distribution at the meeting should reach the U.S. Coast Guard no later than June 19, 1998. If you would like a copy of your material distributed to each member of the Subcommittee in advance of the meeting, please submit 25 copies to Mr. Payne no later than June 19, 1998 or make other arrangements with Mr. Payne.

Information on Services for Individuals With Disabilities

For information on facilities or services for individuals with disabilities or to request special assistance at the meeting, contact Mr. Payne as soon as possible.

Dated: June 4, 1998.

Joseph J. Angelo,

Director of Standards, Marine Safety and Environmental Protection.

[FR Doc. 98–15425 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–15–M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Transportation of Hazardous Materials; Designated and Restricted Routes

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice.

SUMMARY: This notice provides a current listing of all designated and restricted State routes for transporting hazardous materials that have been reported to the FHWA. Periodically updating and publishing this listing is required by the Hazardous Materials Transportation Act of 1975 (HMTA) as amended (49 U.S.C. 5112). The FHWA's regulations (at 49 CFR part 397) include Federal standards and procedures which the States and Indian Tribes must follow if they establish, maintain, or enforce routing designations that: (1) specify highway routes over which hazardous materials (HM) may, or may not, be transported within their jurisdictions; and/or (2) impose limitations or requirements with respect to highway routing of HM. States and Indian Tribes are also required to furnish updated HM route information to the FHWA.

FOR FURTHER INFORMATION CONTACT: Mr. Kenneth Rodgers, Safety and Hazardous Materials Division (HSA–10), Office of Motor Carrier Safety, (202) 366–4016; or Mr. Raymond W. Cuprill, Office of the Chief Counsel, Motor Carrier Law Division (HCC–20), (202) 366–0834, Federal Highway Administration, 400 Seventh Street, SW., Washington, DC, 20590–0001. Office hours are from 7:45 a.m. to 4:15 p.m., e.t., Monday through Friday, except for Federal holidays.

SUPPLEMENTARY INFORMATION:

Electronic Access

An electronic copy of this document may be downloaded using a modem and suitable communications software from the **Federal Register** Electronic Bulletin Board Service at (202) 512–1661. Internet users may reach the **Federal Register's** home page at: http://www.nara.gov/nara/fedreg and the Government Printing Office's database at: http://www.access.gpo.gov/su__docs. In the near future, the FHWA plans to provide public access to all routing information via the FHWA Home Page on the Internet at: http://www.fhwa.dot.gov.

Section 5112(c) of title 49, United States Code, requires the Secretary of Transportation, in coordination with the States, to update and publish periodically a list of current effective hazardous materials highway routing designations. In addition, 49 CFR 397.73(b) requires each State or Indian Tribe to furnish information on any new or changed HM routing designations to the FHWA within 60 days after establishment. The FHWA maintains a listing of all current State routing designations and restrictions. In addition, the FHWA has designated a point of contact in each FHWA Division Office to provide local coordination with State agencies and other interested parties.

This notice is being published to provide the public with the FHWA's current list of HM State—designated routes (alphabetically by State) along with the State and Federal points of contact.

Authority: 23 U.S.C. 315; 49 U.S.C. 5112; and 49 CFR 1.48.

Issued: May 19, 1998.

Gloria J. Jeff,

Deputy Federal Highway Administrator.

Federal Highway Administration NRHM Route Registry

Report Date: 03/26/98

The following key applies to information listed for all 50 states.

RESTRICTION/DESIGNATION KEY

Restrictions	Designations
0—All Hazmats	A—AllHazmats
1—Class 1—Explosives	B—Class 1—Explosives
2—Class 2—Gas	I—Inhalants
3—Class 3—Flammable	M—Medical Waste
4—Class 4—Flammable solid/Combustible	P—Preferred Radioactive Route
5—Class 5—Organic	
6—Class 6—Poison	
7—Class 7—Radioactive	
8—Class 8—Corrosives	
9—Other	
i—Inhalants	

State: Alabama

Agency: AL DOT
POC: John E. Lorentson
Address: Montgomery, AL 36130–3050
Phone: (334)–242–6474
Fax:
FHWA: AL Field Office
FHWA POC: Mr. Tom Russell
Address: 500 Eastern Blvd., Suite 200, Montgomery, AL 36117
Phone: (334) 223–7374
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	AL Restricted Routes	
11/07/94	Wallace Twin Tunnels [I10 & US90 in Mobile] [A signed detour is in place to direct traffic along Water St., US43, and Alt US 90. Traffic will pass over the Mobile River using the Cochrane Bridge.]	0
	AL Designated Routes	
08/26/96	Battleship Parkway [Mobile] from Bay Bridge Rd. [Mobile] to Interstate 10 [exit 27]	P
08/26/96	Bay Bridge Rd. [Mobile] from Interstate 165 to Battleship Parkway [over Africa Town Cochran Bridge] [Westbound Traffic: Head south on I165; To by-pass the downtown area, head north on I165.].	P
08/26/96	Interstate 10 from Mobile City Limits to exit 26B [Water St] [Eastbound Traffic: To avoid the downtown area, exit on I–65 North.]	P
08/26/96	Interstate 10 from Mobile City Limits to Exit 27	P
08/26/96	Interstate 65 from Interstate 10 to Interstate 165 [A route for trucks wishing to by-pass the downtown area.]	P
08/26/96	Interstate 65 from Mobile City Limits to Interstate 165	P
08/26/96	Interstate 165 from Water St. [Mobile] to Bay Bridge Rd. exit [Mobile]	P
11/07/94	US43/Alt US90 from State 16/US 90 or I–10 to State 16/US 90 or I–10	A
08/26/96	Water St. [Mobile] from Interstate 10 [exit 26B] to Interstate 165	P

State: Alaska

Agency: AK DOT & Public Facilities
POC: Bruce Freitag
Address: Div of Eng & Op, 2132 Channel Drive, Juneau, AK 99801–7898
Phone: (907) 465–6963
Fax:
FHWA: AK Field Office
FHWA POC: Mr. Al Fletcher
Address: Federal Building, 709 W. 9th St., Room 751, Juneau, AK 99802–1648
Phone: (907) 587–7428
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	AK Designated Routes	
	* * * No Routes Designated as of 07/11/97 * * *.	

State: Arizona

Agency: AZ DOT, Hwy. Div.
POC: Mike Manthey
Address: 206 South 17th Ave, Phoenix, AZ 85007–3213
Phone: (602) 255–7766
Fax: (602) 407–3243
FHWA: AZ Field Office
FHWA POC: Mr. Phil Bleyl
Address: 234 North Central Ave., Suite 330, Phoenix, AZ
Phone: (602) 379–3608
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	AZ Designated Routes	
01/01/90	Interstate 10 [Deck Tunnel—Phoenix] from 7th St. exit [Mile Post 144.3] to 7th Ave. exit [Mile Post 146.2] [Interstate 17 is the designated truck route which has been posted as the alternative route for hazmat traffic.]	0
10/16/95	State 202 from MP 8.33 [McClintock Exit] to MP 11.07 [Dobson Exit] [Alternate Routes are as follows: 1. McClintock to University to Dobson. 2. McClintock to McKellips to SR–101. Note: Freeway ends at SR–101 with temporary lanes to Dobson. Alternative routing may vary with continuing construction.]	0

Designation date	Route description	Restrict design 0123456789i ABIMP
	AZ Designated Routes	
01/01/90	Interstate 17 from Interstate 10 [west of Deck Tunnel] to Interstate 10 [east of Deck Tunnel]	A

State: Arkansas

Agency: AR Hwy & Transportation Dept.
POC: 1Lt. George R. Franks, Jr.
Address: Arkansas Highway Police Div., P.O. Box 2779, Little Rock, AR 72203
Phone: 501–569–2421
Fax:
FHWA: AR Field Office
FHWA POC: Mr. Gary DalPorto
Address: 700 W. Capitol, Room 3128, Little Rock, AR 72201
Phone: (501) 324–6441
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	AR Restricted Routes	
07/08/92	Interstate 30 from interstate 440 to Interstate 40 [in downtown Little Rock] [Exception for local delivery.]	0
07/08/92	Interstate 630 [Entire Highway] [Exception for local delivery.]	0

State: California

Agency: Depart of CA Hwy Patrol
POC: Rik Rasmussen
Address: P.O. Box 942898, Sacramento, CA 94298–0001
Phone: (916) 327–3310
Fax:
FHWA: CA Field Office
FHWA POC: Mr. Matthew Schmitz
Address: US Bank Plaza, 980 Ninth Street, Suite 400, Sacramento, CA 95814–2724
Phone: (916) 498–5889
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	CA Restricted Routes	
01/09/95	Berryessa Knoxville Rd [Napa Valley] from Homestake Mining to South [Restrictions are placed on mine's operating permits.]	0
01/01/95	Monterey Traffic Underpass [City of Monterey] from Washington St. to Lighthouse Ave. [Alternate route: Pacific St. to Del Monte Ave.]	0
01/09/95	Napa County [general county restriction]	1
01/09/95	Napa County [Hazmat to and from the Geysers project in Lake and Sonoma county are excluded from traversing Napa county.]	0
01/01/95	State 24 [Caldecott Tunnel] from Mile Post R.5.89 [Alameda County] to Mile Post R0.35 [Contra Costa County] [Transportation of an explosive substance, flammable liquid, liquified petroleum gas, or poisonous gas in a tank truck, trailer, or semitrailer is allowed through the tunnel only between the hours of 3:00 AM and 5:00 AM.]	0
01/01/95	State 75 [Coronado Toll Bridge] from Mile Post 19.59 to Mile Post R22.26 [San Diego County]	1, 3, 8
01/01/95	State 260 from Mile Post R0.62 to Mile Post R1.92 [Alameda County]. [Eastbound Webster St. Tube & westbound Posey Tube from Atlantic Ave. to the end of State 260.].	0
01/01/95	S.F.-Oakland Bay Bridge from Mile Post 4.92 [San Francisco] to Mile Post 2.20 [Alameda County]	1, 3
	CA Designated Routes	
01/01/95	3rd St. [San Francisco Bay] from US 101 to Berry St.	B
01/01/95	4th St. [San Francisco Bay] from 3rd St. to Channel St.	B
01/01/95	6th St. [San Francisco Bay] from Channel St. to [southeast]	B
01/01/95	Academy Ave. from Ventura Ave [State 180] to State 168	B
01/01/95	Adobe Rd. from Amboy Rd. to State 62	B

Designation date	Route description	Restrict design 0123456789i ABIMP
01/01/95	Alabama St. from Interstate 10 to Norton A.F.B.	B
01/01/95	Amboy Rd. from National Trails Highway [near Amboy] to Adobe Rd	B
01/01/95	American Ave. from Cove Ave. to State 63	B
01/01/95	Army St. [San Francisco Bay] from 3rd St. to Pier 80	B
01/01/95	Bear Valley Cutoff from US 395 to State 18	B
01/01/95	Berry St. [San Francisco Bay] from 3rd St. to pier	B
01/01/95	Bird Rd. from Chrisman Rd. to State 33 [or Ahern Rd.]	B
01/01/95	Bryron Rd. [J4] from Grant Line Rd. to State 4	B
01/01/95	County 2 [Susanville Rd.] from State 299 to State 139	B
01/01/95	County 3 from US 395 to US 395	B
01/01/95	CE7 [Pedrick Rd.] from Interstate 80 to Interstate 5	B
01/01/95	Cargo Way [San Francisco Bay] from 3rd St. to Jennings St	B
01/01/95	Channel St. from 4th St. to 6th St	B
01/01/95	Chestnut Ave. from State 99 to Jensen Ave	B
01/01/95	Chrisman Rd./11th St. from Interstate 580 to Bird Rd	B
01/01/95	Cove Ave. from State 180 to American Ave	B
01/01/95	Crafton Ave. from Sand Canyon Rd. to Lockheed Propulsion	B
01/01/95	Daggett-Yermo Rd. from Interstate 15 to Interstate 40	B
01/01/95	Dennison St. [San Francisco Bay] from Interstate 880 to Coast Guard Island	B
01/01/95	Evans Ave. [San Francisco Bay] from 3rd St. to Jennings St	B
01/01/95	Forrester Rd. from State 86 [at Westmoreland] to Interstate 8	B, I
01/01/95	Fort Irwin Rd. from Interstate 15 to Fort Irwin	B
01/01/95	G14 from US 101 [at King City] to G18	B
01/01/95	G18 from G14 to US 101 [near Bradley]	B
01/01/95	Grand St. [San Francisco Bay] from Encinal Ave. to Buena Vista Ave	B
01/01/95	Grangeville Blvd. from State 41 to Lemoore Naval Air Station	B
01/01/95	Grant Line Rd. from Byron Rd. to Interstate 5	B
01/01/95	Hueneme Rd. from Las Posas Rd. to end of road at Pacific Coast	B
01/01/95	Hunters Point Blvd. [San Francisco Bay] from Evans Ave. to Innes Ave	B
01/01/95	Interstate 5 from Interstate 405 to State 78	I
01/01/95	Interstate 5 from Interstate 805 to Mexico	I
01/01/95	Interstate 5 from Oregon to Interstate 405	I
01/01/95	Interstate 5 from Oregon to Mexico	B
01/01/95	Interstate 8 from North of San Diego to Arizona	B
01/01/95	Interstate 10 from Interstate 405 to Arizona	B
01/01/95	Interstate 10 from State 60 to Arizona	I
01/01/95	Interstate 15 from State 91 to Interstate 8	B
01/01/95	Interstate 15 from Nevada to State 163	I
01/01/95	Interstate 15 from Nevada to State 60	A
01/01/95	Interstate 40 from Interstate 15 to Arizona	B, I
01/01/95	Interstate 80 from Interstate 5 to Interstate 680	I
01/01/95	Interstate 80 from Interstate 580 [north of Oakland] to Nevada	B
01/01/95	Interstate 80 [Business Route] from Interstate 80 to Interstate 80	B
01/01/95	Interstate 105 from Interstate 405 to Interstate 605	B
01/01/95	Interstate 110 from Interstate 10 to east of San Pedro	B
01/01/95	Interstate 205 from Interstate 580 to Interstate 5	B
01/01/95	Interstate 210 from Interstate 5 to Interstate 10	B
01/01/95	Interstate 215 from Interstate 15 to Interstate 10	B
01/01/95	Interstate 280 from US 101 to Interstate 680/U101	B
01/01/95	Interstate 405 from Interstate 5 [north of L.A.] to Interstate 5 [south of L.A.]	B, I
01/01/95	Interstate 505 from Interstate 5 to Interstate 80	B, I
01/01/95	Interstate 580 from Grand to Interstate 980	B
01/01/95	Interstate 580 from Interstate 880 to Interstate 5	B
01/01/95	Interstate 605 from Interstate 210 to Interstate 405	B
01/01/95	Interstate 605 from State 91 to State 60	I
01/01/95	Interstate 680 from Interstate 80 to Interstate 580	I
01/01/95	Interstate 680 from Interstate 80 to US 101	B
01/01/95	Interstate 710 from City of Long Beach to City of Commerce	I
01/01/95	Interstate 710 from Interstate 10 to Interstate 405	B
01/01/95	Interstate 780 from Interstate 80 to Interstate 680	B
01/01/95	Interstate 805 from Interstate 5 to Interstate 5	B
01/01/95	Interstate 805 from State 163 to Interstate 5	I
01/01/95	Interstate 880 from Interstate 280 to Market St	B
01/01/95	Interstate 980 [Oakland area] from Interstate 580 to Interstate 880	B
01/01/95	Innes Ave. [San Francisco Bay] from Hunters Point Blvd. to Hunters Pt. Navel Shipyards	B
01/01/95	Jennings St. [San Francisco Bay] from Evans Ave. to Cargo Way	B
01/01/95	Jensen Ave. from Chestnut Ave. to McCall Ave	B
01/01/95	Jensen Ave. from Marks Ave. to State 99	B
01/01/95	Las Posas Rd. from US 101 to Mugu Navel Air Center [also Missle Test Center]	B
01/01/95	Lenwood Rd. from State 58 to Interstate 15	B, I
01/01/95	Lugonia Ave. from Alabama St. to Menton Ave	B

Designation date	Route description	Restrict design 0123456789i ABIMP
01/01/95	Marks Ave. from State 99 to Jensen Ave	B
01/01/95	McCall Ave. from Jensen Ave. to Ventura Ave. [State 180]	B
01/01/95	Menton Ave. from Lugonia Ave. to Crafton Ave	B
01/01/95	Mission Gate Rd. from Purisima Rd. to State 1	B
01/01/95	Mission Rd./Main St. [S–13] from Interstate 15 to State 76 [Note: Towards Fall Brook NAS.]	B
01/01/95	National Trails Highway from Interstate 40 [near Ludlow] to Interstate 40	B
01/01/95	Oakland Army Base [US Navy Supply Center] from W. Grand Ave. [at Interstate 80] to Market St. [at Interstate 880] [From W. Grand Ave. via Interstate 80 to Maritime St. to 7th St. to 15th St. to Middle Harbor Rd. to 3rd St. to Market St. which connects to Interstate 880.].	B
01/01/95	Ocean Blvd. from State 75 to North Island NAS	B
01/01/95	Patterson Pass Rd. from Byron Rd. to Interstate 580	B
01/01/95	Prairie City Rd. [east of Sacramento] from US 50	I
01/01/95	Purisima Rd. [State 20] from State 246 to State 1	I
01/01/95	Railroad Blvd./River Rd. from State 98 to U.S. Customs Compound [at Mexico]	B
01/01/95	Road 102 [E8] from Interstate 5 to State 113	B
01/01/95	State 1 from Purisima Rd. [State 20] to Vandenburg A.F.B	I
01/01/95	State 1 from US 101 [north of S.F.] to Las Cruces	B
01/01/95	State 1 from US 101 [at Leggett] to US 101	B
01/01/95	State 2 from Interstate 5 to Interstate 210	B
01/01/95	State 4 from Interstate 680 to City of Pittsburg	I
01/01/95	State 4 from State 99 to Interstate 80	B
01/01/95	State 4 from State 99 to State 89	B
01/01/95	State 12 from Interstate 80 to State 99	B
01/01/95	State 12 from State 99 to State 49	B
01/01/95	State 14 from US 395 to Interstate 5	B
01/01/95	State 14 from US 395 to State 138 [north junction]	I
01/01/95	State 15 from State 94 to Interstate 5	B
01/01/95	State 16 from State 20 to CE7 [Pedrick Rd.]	B
01/01/95	State 16 from US 50 to State 49	B
01/01/95	State 17 from Interstate 880/I280 to State 1	B
01/01/95	State 18 from Bear Valley Cutoff to State 247	B
01/01/95	State 18 from State 138 to US 395	B
01/01/95	State 20 from State 1 to State 29	B
01/01/95	State 20 from State 53 to Interstate 80	B
01/01/95	State 22 [Garden Grove Freeway] from Interstate 405 to State 55	B
01/01/95	State 25 from US 101 to State 156	B
01/01/95	State 26 from State 99 to State 49	B
01/01/95	State 27 from State 118 to City of Chatsworth	I
01/01/95	State 29 from State 20 to State 53	B
01/01/95	State 32 from State 36/89 to Interstate 5	B
01/01/95	State 33 from Bird Rd. to State 166	B
01/01/95	State 36 from State 99 to US 395	B
01/01/95	State 37 from US 101 to Interstate 80	B
01/01/95	State 37 from US 101 to Interstate 80	I
01/01/95	State 41 from State 145 to Yosemite National Park	B
01/01/95	State 41 from US 101 to State 99	B
01/01/95	State 43 from State 99 to State 58	B
01/01/95	State 44 from Interstate 5 to State 36	B
01/01/95	State 46 from State 41 to State 99	I
01/01/95	State 49 from State 70 to State 140 [near Mariposa]	B
01/01/95	State 53 from State 20 to State 29	B
01/01/95	State 55 from Interstate 405 to State 91	B
01/01/95	State 57 from Interstate 5 to Interstate 10	B
01/01/95	State 58 from State 14 to Interstate 15	I
01/01/95	State 58 from State 33 to Interstate 15	B
01/01/95	State 60 from Interstate 5 to Interstate 10	B
01/01/95	State 60 from Interstate 605 to Interstate 10	I
01/01/95	State 61 [and Hegenberg Rd.-San Francisco Bay] from Interstate 880 to Interstate 880 [The following is the designated route in the vicinity of Alameda: from Hegenberger via Interstate 880 to State 61 to Doolittle Rd. (State 61) to Otis Dr. to Broadway to Encinal Ave. (State 61) to Central Ave. to Main St. to Atlantic Ave. to Webster St. (State 61) to Buena Vista Ave. to Park St. to 23rd St. to Interstate 880. Note: also, Grand St. connects Encinal Ave. and Buena Vista Ave. Note: Sherman St. leads to Inner Harbor from Buena Vista Ave.]	B
01/01/95	State 62 from Interstate 10 to Arizona	B
01/01/95	State 63 from American Ave. to State 201	B
01/01/95	State 65 from State 198 to State 99	B
01/01/95	State 65 from State 70 to Interstate 80	B
01/01/95	State 67 from State 94 to Interstate 8	B
01/01/95	State 68 from State 1 to US 101	B
01/01/95	State 70 from State 20 to State 99	B
01/01/95	State 70 from State 20 to US 395 [near border of Calf.-Nevada]	B

Designation date	Route description	Restrict design 0123456789i ABIMP
01/01/95	State 71 from Interstate 10 to State 91	B
01/01/95	State 75 from Interstate 5 to Ocean Blvd.	B
01/01/95	State 76 from Interstate 5 to Interstate 15	B
01/01/95	State 78 from Interstate 5 to Interstate 15	I
01/01/95	State 85 from Interstate 280 to US 101	B
01/01/95	State 86 from Interstate 10 to Forrester Rd. [at Westmoreland] [Note: for explosives and inhalents.]	B, I
01/01/95	State 88 from State 89 [at Picketts Junction] to Nevada	B
01/01/95	State 88 from State 99 to State 49 [at Jackson]	B
01/01/95	State 89 from Interstate 5 to Interstate 70	B
01/01/95	State 89 from US 395 to State 49	B
01/01/95	State 91 from Interstate 605 to State 215	B
01/01/95	State 91 from Interstate 710 to Interstate 605	I
01/01/95	State 92 from US 101 to Interstate 280	B
01/01/95	State 94 from Interstate 5 to Interstate 8	B
01/01/95	State 96 from State 299 to Interstate 5	B
01/01/95	State 98 from Interstate 8 to Interstate 8	B
01/01/95	State 99 from City of McFarland to State 46	I
01/01/95	State 99 from State 36 to Interstate 5	B
01/01/95	State 99 from US 50 to Interstate 5	B
01/01/95	State 108 from State 132 to US 395	B
01/01/95	State 111 from Interstate 8 to State 98	B
01/01/95	State 113 from Interstate 80 to State 12	B
01/01/95	State 113 from State 99 to CE8 [Road 102]	B
01/01/95	State 118 from Interstate 405 to LA County Line	B
01/01/95	State 118 from Interstate 5 to Interstate 210	B
01/01/95	State 118 from Interstate 5 to State 27	I
01/01/95	State 118 from State 126 to State 232	B
01/01/95	State 119 from State 99 to Interstate 5	B
01/01/95	State 120 from State 99 to Yosemite National Park [westside]	B
01/01/95	State 126 from City of Santa Paula to Interstate 5	I
01/01/95	State 126 from Interstate 5 to State 118	B
01/01/95	State 127 from Nevada to Interstate 15	B
01/01/95	State 128 from State 1 to US 101	B
01/01/95	State 132 from Interstate 580 to State 49	B
01/01/95	State 134 from Interstate 5 to Interstate 210	B
01/01/95	State 136 from US 395 to State 190	B
01/01/95	State 138 from Interstate 5 to Interstate 15	B
01/01/95	State 138 from Interstate 5 to State 14	I
01/01/95	State 139 from Oregon to State 36	B
01/01/95	State 140 from State 49 to Interstate 5	B
01/01/95	State 145 from State 99 to State 41	B
01/01/95	State 147 from State 36 to State 89	B
01/01/95	State 149 from State 99 to State 70	B
01/01/95	State 152 from Interstate 5 to City of Gilroy	I
01/01/95	State 152 from US 101 to State 99	B
01/01/95	State 156 from State 1 to State 152	B
01/01/95	State 163 from Interstate 15 to Interstate 805	I
01/01/95	State 163 from Interstate 8 to Interstate 15	B
01/01/95	State 166 from US 101 to Interstate 5	I
01/01/95	State 166 from US 101 to State 33	B
01/01/95	State 167 from Nevada to US 395	B
01/01/95	State 168 from Academy Ave. to Lake Shore	B
01/01/95	State 177 from State 62 to Interstate 10	B
01/01/95	State 180 from McCall Ave. to Cove Ave.	B
01/01/95	State 180 from State 33 to Marks Ave.	B
01/01/95	State 183 from State 1 to State 68/U101	B
01/01/95	State 190 from US 395 to State 127	B
01/01/95	State 193 from State 65 to Interstate 80	B
01/01/95	State 198 from US 101 to Sequioa National Forest [Note: State 198 between State 99 and State 65 is Not a designated route for explosives.].	B
01/01/95	State 201 from State 99 to State 245	B
01/01/95	State 215 from State 91 to Interstate 15	B
01/01/95	State 223 from Interstate 5 to State 58	B
01/01/95	State 232 from State 118 to US 101	B
01/01/95	State 237 from Interstate 680 to US 101	B
01/01/95	State 242 from Interstate 680 to State 4	I
01/01/95	State 245 from State 201 to State 198	B
01/01/95	State 246 from State 1 to US 101	B
01/01/95	State 246 from US 101 to Purisima Rd	I
01/01/95	State 247 from State 18 to State 62	B
01/01/95	State 299 from US 101 to Nevada	B

Designation date	Route description	Restrict design 0123456789i ABIMP
01/01/95	State 1000 from Hueneme Rd. to Las Posas Rd	B
01/01/95	Sand Canyon Rd. from Crafton Ave. to Interstate 10	B
01/01/95	Santa Lucia Canyon Rd. from State 1 to Vandenburg AFB	B
01/01/95	Seal Beach Blvd. [Los Angeles] from Interstate 405 to North of Seal Beach	B
01/01/95	Sherman St. [San Francisco Bay] from Buena Vista Ave. to S.F. Bay [Inner Harbor]	B
01/01/95	Termo-Grasshopper Rd. from State 139 to US 395	B
01/01/95	Twin Cities Rd. from State 99 to Interstate 5	B
01/01/95	US 6 from Nevada to US 395	B, I
01/01/95	US 50 from Interstate 80 [Business Route] to Nevada	B
01/01/95	US 50 from Prairie City Rd. [east of Sacramento] to Interstate 80	I
01/01/95	US 95 from Nevada to Interstate 10	A
01/01/95	US 97 from Oregon to Interstate 5	B, I
01/01/95	US 101 from City of Camarillo to Interstate 5	I
01/01/95	US 101 from Healdsburg to State 37	I
01/01/95	US 101 from State 166 to State 246	I
01/01/95	US 101 from State 232 to Las Posas Rd	B
01/01/95	US 101 from Oregon to State 246	B
01/01/95	US 199 from Oregon to US 101	B
01/01/95	US 395 from Nevada to Interstate 15	I
01/01/95	US 395 from Oregon to Nevada [Note: US 395 enters Nevada and returns into California in the mid-eastern section.]	B
01/01/95	W. El Camino Ave. [Near Sacramento] from Interstate 80 to Interstate 5	I

State: Colorado

Agency: CO State Patrol
POC: Capt. Allen Turner
Address: 700 Kipling Street, Denver, CO 80215–5865
Phone: (303) 239–4546
Fax:
FHWA: CO Field Office
FHWA POC: Mr. Duwayne Ebertowski
Address: 555 Zang St., Room 250, Lakewood, CO 80228
Phone: (303) 969–6703 x376
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	CO Restricted Routes	
12/30/86	Interstate 70 from Interstate 25 [at milespost 274.039] to State 2 [at milepost 276.572]	7
12/30/86	Interstate 70 from Utah to US 40 [at milepost 261.63]	7
	CO Designated Routes	
04/30/89	1st St. [City of Craig] from State 13 [east] to State 394 [Craig City Limit] [HMR 9.67]	A
04/30/89	1st St. [Moffat County Rd. CG 2] from State 394 [Craig City Limit] to US 40 [HMR 9.68: runs East from Route 394 to US 40].	A
04/30/89	2nd St. [City of Lamar] from US 50/385 to Maple St. [HMR 9.26]	A
04/30/89	County 7 [(Great Divide Rd.)] from City Limit [City of Craig (north)] to County 183 [in Moffat County] [HMR 9.29].	A
04/30/89	County 183 [Moffat County] from County 7 [Moffat County] to State 13 [HMR 9.30]	A
04/30/89	Great Divide Rd. [City of Craig] from US 40 [north] to City Limit [HMR 9.28]	A
04/30/89	Interstate 25 from Wyoming to New Mexico [HMR 9.5]	A, P
04/30/89	Interstate 70 from Interstate 270 to Kansas [HMR 9.54]	A
04/30/89	Interstate 70 [business loop] from Interstate 70 [east of Grand Junction] to State 141 [HMR 9.55]	A
04/30/89	Interstate 70 from US 6 [east of Loveland Pass] to Interstate 25 [HMR 9.53]	A
04/30/89	Interstate 70 from Utah to US 6 [at Silverthorne [Loveland Pass]] HMR 9.52]	A
04/30/89	Interstate 76 from Interstate 25 to Nebraska HMR 9.56]	A, P
04/30/89	Interstate 225 from Interstate 70 to Interstate 25 [HMR 9.21]	A, P
04/30/89	Interstate 270 [Near Denver] from Interstate 70 to Interstate 76 [HMR 9.59]	A, P
04/30/89	Maple St. [City of Lamar] from 2nd St. to US 50/287 [HMR 9.27]	A
04/30/89	State 9 from US 40 [in Kremmling] to Interstate 70 [in Silverthorne] [HMR 9.1]	A
04/30/89	State 10 from Interstate 25 [in Walsenburg] to US 50 [in La Junta] [HMR 9.35]	A
04/30/89	State 13 from US 40 [west of Craig] to US 6 [west of Rifle] [HMR 9.3]	A
04/30/89	State 13 from Wyoming to County 183 [North of Craig] [HMR 9.2]	A
04/30/89	State 14 from Interstate 25 to US 6 [in Sterling] [HMR 9.37]	A
04/30/89	State 14 from US 40 State 125 [HMR 9.36]	A

Designation date	Route description	Restrict design 0123456789i ABIMP
04/30/89	State 17 from US 285 [near Mineral Hot Springs] to US 160 [near Alamosa] [HMR 9.4]	A
04/30/89	State 47 from Interstate 25 to US 50 [State 96] [HMR 9.6]	A
04/30/89	State 52 from State 119 to State 79 [HMR 9.50]	A
04/30/89	State 64 from US 40 [in Dinosaur] to State 13 [HMR 9.51]	A
04/30/89	State 71 from State 14 to US 24 [in East Limon] [HMR 9.7]	A
04/30/89	State 71 from US 24 [in Limon (west junction)] to US 50 [near Rocky Ford] [HMR 9.8]	A
04/30/89	State 71 from Nebraska to State 14 [HMR 9.64]	A
04/30/89	State 79 from State 52 to Interstate 70 [at Bennett] [HMR 9.9]	A
04/30/89	State 83 from US 24 to State 115 [HMR 9.10]	A
04/30/89	State 91 from Interstate 70 to US 24 [near Leadville] [HMR 9.11]	A
03/10/89	State 93 from Rocky Flats Plant to State 128	P
04/30/89	State 112 from US 285 to US 160 [HMR 9.57]	A
04/30/89	State 113 from Nebraska to US 138 [HMR 9.12]	A
04/30/89	State 115 from State 83 to US 50 [HMR 9.13]	A
04/30/89	State 119 from State 157 to State 52 [HMR 9.14]	A
04/30/89	State 125 from Wyoming to US 40 [West of Granby] [HMR 9.15]	A
04/30/89	State 127 from Wyoming to State 125 [HMR 9.16]	A
03/10/89	State 128 from State 93 to US 36	P
04/30/89	State 139 from State 64 [in Rangely] to Interstate 70 [near Loma] [HMR 9.18]	A
04/30/89	State 141 from Interstate 70 [(Business Loop) near Grand Junction] to US 50 [HMR 9.19]	A
04/30/89	State 141 from US 50 to US 666 [HMR 9.66]	A
04/30/89	State 157 from US 36 to State 119 [HMR 9.20]	A
04/30/89	State 470 from US 285 to Interstate 70 [HMR 9.60]	A
04/30/89	US 6 from Interstate 25 [in Denver] to Interstate 70 [HMR 9.32]	A
04/30/89	US 6 [Loveland Pass] from Interstate 70 [just east of the Eisenhower/Johnson Tunnels] to [just west of the Eisenhower/Johnson Tunnels at Silverthorne] [HMR 9.31].	A
04/30/89	US 6 from State 13 [west of Rifle] to Interstate 70 [Exit 87] [HMR 9.33]	A
04/30/89	US 6 from State 14 [(Main St.) in Sterling] to Nebraska [HMR 9.34]	A
04/30/89	US 24 [Business Route] from State 71 [east junction in Limon] to State 71 [west junction] [HMR 9.48]	A
04/30/89	US 24 from State 83 to Interstate 70 [at West Limon (Exit 359)] [HMR 9.39]	A
04/30/89	US 24 from State 91 [at Leadville] to Interstate 25 [in Colorado Springs] [HMR 9.38]	A
04/30/89	US 24 [Business Route] from US 24 [on the west side of Limon] to State 71 [west junction] [HMR 9.46]	A
04/30/89	US 34 from Interstate 25 to Interstate 76 [HMR 9.40]	A
04/30/89	US 34 from State 71 [west junction] to Nebraska [HMR 9.41]	A
04/30/89	US 36 from Interstate 25 to State 157 [HMR 9.42]	A
04/30/89	US 36 from Interstate 70 [in Byers] to State 71 [at Last Chance] [HMR 9.43]	A
03/10/89	US 36 from State 128 to Interstate 25	A
04/30/89	US 40 from First St. [Moffat County Road CG 2] to Interstate 70 [east of Craig] [HMR 9.45]	A
04/30/89	US 40 from Interstate 70 [(Exit 363) in Limon] to Kansas [HMR 9.47]	A
04/30/89	US 40 from Utah to State 13 [west of Craig] [HMR 9.44]	A
04/30/89	US 50 from State 141 [north junction near Grand Junction] to Kansas [HMR 9.49]	A
04/30/89	US 85 from Wyoming to Interstate 76 [HMR 9.63]	A
04/30/89	US 138 form State 113 to US 6 [(Chestnut St.) in Sterling] [HMR 9.17]	A
04/30/89	US 160 from New Mexico to Interstate 25 [Business Route in Walsenburg South to Exit 49 on I–25] [HMR 9.58].	A
04/30/89	US 285 from State 112 to US 160 [HMR 9.62]	A
04/30/89	US 285 from State 470 to State 112 [HMR 9.24]	A
04/30/89	US 285 from US 160 [in Alamosa] to New Mexico [HMR 9.23]	A
04/30/89	US 287 from US 40 [in Kit Carson] to Oklahoma [HMR 9.22]	A
04/30/89	US 385 from Interstate 76 [in Julesburg] to US 40 [in Cheyenne Wells] [HMR 9.25]	A
04/30/89	US 550 from US 160 to New Mexico [HMR 9.65]	A
04/30/89	US 666 from Utah to New Mexico [HMR 9.61]	A

State: Connecticut

Agency: CT Dept. of Environmental Protection

POC: Mr. Dave Stattler

Address: 79 Elm St., Hartford, CT 06106–5127

Phone: 860–424–3289

Fax:

FHWA: CT Field Office

FHWA POC: Ms. Amy Jackson-Grove

Address: 628–2 Hebron Ave., Glastonbury, CT 06033

Phone: (860) 659–6703 x3010

Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	CT Designated Routes	
	*** No Routes Designated as of 07/02/97 ***.	

State: Delaware

Agency: No Response
POC:
Address:
Phone:
Fax:
FHWA: DE Field Office
FHWA POC: Mr. Bob Kleinburd
Address: 300 New St., Room 2101, Dover, DE 19901
Phone: (302) 734–2966
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	DE Designated Routes	
	*** No Routes Designated as of 10/09/96 ***.	

State: District of Columbia

Agency: Department of Public Works
POC: John Payne
Address: 2000 14th Street NW, 6th Floor, Washington, DC 20009
Phone: (202)–939–8090
Fax:
FHWA: DC Field Office
FHWA POC: Ms. Karen Bobo
Address: Union Center Plaza, Suite 750, 820 First St., NW., Washington, DC 20002
Phone: (202) 523–0174
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	DE Restricted Routes	
03/08/95	9th St. Expressway Tunnel from North Portal [at Madison Dr.] to South Portal [south of Independence Ave.].	0
03/08/95	Interstate 395 Tunnel from South Portal [south of Independence Ave.] to the most northerly Portal [at K St.].	0
	DC Designated Routes	
03/08/95	Anacostia Freeway from Interstate 295 [11th St. Bridge] to E. Capital St	A
03/08/95	Interstate 295 from Maryland to Interstate 695 [vicinity of 11th and L St, SE]	A
03/08/95	Interstate 395 from Virginia to Interstate 695 [vicinity of 2nd and E St., SW.]	A
03/08/95	Interstate 695 from Interstate 295 [vicinity of 11th and L St., SE.] to Interstate 395 [vicinity of 2nd and E St., SW.].	A
03/08/95	Kenilworth Ave., NE from E. Capital St. to Maryland	A

State: Florida

Agency: Florida Dept. of Transportation
POC: Capt. Ken Carr
Address: Miracle Plaza, 1815 Thomasville Rd., Tallahassee, FL 32303–5750
Phone: (850)–488–7920
Fax:
FHWA: FL Field Office
FHWA POC: Mr. Robert Florence
Address: 227 North Bronough St., Suite 2015, Tallahassee, FL 32301

Phone: (850) 942–9591
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	FL Restricted Routes	
02/14/95	Florida Ave. [Tampa] from Crosstown Expressway to Scott Street. [Use Crosstown Expressway to 22nd St. North, thence north along 22nd Street to Interstate 4 to either Interstate 275 or points east.].	0
02/14/95	Kennedy Blvd. [Tampa] from Crosstown Expressway to Hillsborough River. [Use Crosstown Expressway to Hyde Park Ave. and Davis Island Exit No. 5 to all points west.].	0
02/14/95	Tampa central business area. [Bounded on the east by Ybor Channel, on the west by the Hillsborough River, and on the north by a line running along Scott Street east to Orange Ave., south to Cass St., east to the Seaboard Coast Line Railroad, northeast to Adamo Drive, and on the south by Garrison Channel. *State-maintained highways other than Florida Ave. and Kennedy Blvd. are exceptions to this restriction*].	0

State: Georgia

Agency: GA Public Service Comm
POC: Lucia A. Ramey
Address: 1007 Virginia Ave., Suite 310, Hapeville, GA 30354
Phone: (404)–656–4501
Fax:
FHWA: GA Field Office
FHWA POC: Mr. Jason E. Cosby
Address: 100 Alabama Street, SW., Suite 17T100, Atlanta, GA 30303–3104
Phone: (404) 562–3641
Fax: (404) 562–3703

Designation date	Route description	Restrict design 0123456789i ABIMP
	GA Restricted Routes	
03/14/95	State 400 [Atlanta area]. [Noted by Georgia Public Service Commission: ''A ban on a portion of 400 due to a tunnel'', but does include specific sections and routes of ban.].	0

State: Hawaii

Agency: No Response
POC:
Address:
Phone:
Fax:
FHWA: HI Field Office
FHWA POC: Mr. Glenn Yasui
Address: 300 Ala Moana Blvd., Room 3202, Box 50206, Honolulu, HI 96850
Phone: (808) 541–2700
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	HI Designated Routes	
	*** No Routes Designated as of 10/09/96 ***.	

State: Idaho

Agency: Depart of Law Enforcement
POC: Robert Sobba
Address: P.O. Box 700, Meridian, ID 83680
Phone: (208)–884–7003
Fax:
FHWA: ID Field Office
FHWA POC: Mr. Edwin Johnson
Address: 3050 Lake Harbor Lane, Suite 126, Boise, ID 83703
Phone: (208) 334–1843

Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	ID Designated Routes	
01/01/85	Interstate 84 from Exit 99 to Missile Base Rd. [Envirosafe site] [Transporters are to exit at Exit 99 onto I84 Business Loop is its intersection with old US 330. Follow US 30 approx. ¾ mile to Hamilton Rd. Follow Hamilton for 3 miles and turn south onto S51 until its junction with State 78. Exist State 78 onto Missile Base Rd. and follow to Envirosafe waste site.].	A
01/01/85	US 95 [northbound] from Oregon to Missile Base Road [location of Envirosafe waste site] [Northbound hazardous waste transporters are directed to exit US 95 onto Sommercamp Rd. (STC–3710) to its junction with State 78. Follow State 78 to its junction to Missile Base Rd. that leads to the Envirosafe waste site.].	A

Agency: Fort Hall Reservation
POC: Jeanette Wolfley
Address: P.O. Box 306, Fort Hall, ID 83203
Phone: (208)–238–3820
Fax: (208)–237–9736
FHWA: ID Field Office
FHWA POC: Mr. Edwin Johnson
Address: 3050 Lake Harbor Lane, Suite 126, Boise, ID 83703
Phone: (208) 334–1843
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	ID Designated Routes	
01/12/95	Interstate 15 [within the Fort Hall Indian Reservation] [Designation by Shoshone-Bannock tribe. Only valid within Fort Hall Reservation.].	A
01/12/95	Interstate 86 [within the Fort Hall Indian Reservation] [Designation by Shoshone-Bannock tribe. Only valid within Fort Hall Reservation.].	A

State: Illinois

Agency: IL DOT
POC: Larry Wort
Address: 3215 Executive Park Drive, P.O. Box 19245, Springfield, IL 62794–9245
Phone: (217)–782–4974
Fax:
FHWA: IL Field Office
FHWA POC: Mr. Pete Olson
Address: 3250 Executive Park Drive, Springfield, IL 62703
Phone: (217) 492–4634
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	IL Designated Routes	
03/13/95	US 20 [Business Route within Rockford]	A

State: Indiana

Agency: IN State Police/Motor Carrier
POC: Ed Cox
Address: IN Gov. Center North, 100 N. Senate Ave., Indianapolis, IN 46204
Phone: (317) 232–5507
Fax:
FHWA: IN Field Office
FHWA POC: Mr. Lawrence Heil
Address: 575 N. Pennsylvania St., Room 254, Indianapolis, IN 46204
Phone: (317) 226–7491
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	IN Restricted Routes	
06/19/89	Interstate 65 [within Indianapolis I–465 beltway]	0
06/19/89	Interstate 70 [within Indianapolis I–465 beltway]	0
	IN Designated Routes	
06/19/89	Interstate 465 [around the city of Indianapolis]	A

State: Iowa

Agency: No Response
POC:
Address:
Phone:
Fax:
FHWA: IA Field Office
FHWA POC: Mr. Jack Latterell
Address: P.O. Box 627, Ames, IA 50010
Phone: (515) 233–1664
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	IA Designated Routes	
07/18/88	Interstate 29 from Interstate 80 to Missouri	P
07/18/88	Interstate 29 from Nebraska to Interstate 680	P
07/18/88	Interstate 35 from Minnesota to Missouri	P
07/18/88	Interstate 80 from Nebraska to Interstate 280	P
07/18/88	Interstate 280 from Interstate 80 to Illinois	P
07/18/88	Interstate 680 from Interstate 29 to Interstate 80	P
07/18/88	Interstate 680 from Interstate 29 to Nebraska	P

State: Kansas

Agency: Technological Hazardous Admin., State Adjunct Office
POC: Mr. Frank Moussa
Address: 2800 S. Topeka Blvd., Topeka, KS 66611–1287
Phone: (913) 266–1409
Fax:
FHWA: KS Field Office
FHWA POC: Mr. Bob Alva
Address: 3300 S. Topeka Blvd., Suite 1, Topeka, KS 66611–2237
Phone: (916) 267–7286
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	KS Designated Routes	
	* * *No Routes Designated as of 07/01/97* * *.	

State: Kentucky

Agency: Dept. of Vehicle Regulation
POC: Commissioner Ed Logston
Address: Frankfort, KY 40622
Phone: (502)–564–4700
Fax:
FHWA: KY Field Office
FHWA POC: Mr. Glenn Jilek
Address: 330 West Broadway, PO 536, Frankfort, KY 40602

Phone: (502) 223–6727
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	KY Restricted Routes	
01/01/88	Interstate 75 from Interstate 275 to Ohio. [Ban has been currently lifted due to construction to northbound 1275. This route will be evaluated again to reinstate restriction after construction is complete.].	0
	KY Designated Routes	
01/01/88	Interstate 275 [northbound] from Interstate 75 to Ohio	A

State: Louisiana

Agency: LA State Police Transportation
POC: Capt. Joseph T. Booth
Address: Environmental Safety Section, P.O. Boc 66614, Baton Rouge, LA 70896–6614
Phone: (504)–925–6113
Fax:
FHWA: LA Field Office
FHWA POC: Mr. Severiano Serna
Address: P.O. Box 3929, 750 Florida St., Room 255, Baton Rouge, LA 70821
Phone: (504) 389–0251
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	LA Restricted Routes	
03/01/95	Harvey Tunnel [of Jefferson Parish on US90–B]	0
03/01/95	State 73 [In Ascension Parish] from Interstate 10 to State 74 [and within 300 yards or less of any building used as a public or private elementary or secondary school except for carriers making local deliveries on this portion of State 73.].	0
03/01/95	Tunnel Boulevard Tunnel [in Terrbonne Parish (Houma)]	0

State: Maine

Agency: Maine State Police
POC: John Fraiser
Address: Department of Public Safety, 20 State House Station, Augusta, ME 04333
Phone: (207)–287–1057
Fax:
FHWA: ME Field Office
FHWA POC: Mr. Steve Beningo
Address: Federal Building, 40 Western Ave., Room 614, Augusta, ME 04330
Phone: (207) 622–8350 ex 22
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	ME Designated Routes	
	No Routes Designated as of 06/30/97.	

State: Maryland

Agency: No Agency Designated
POC:
Address:
Phone:
Fax:
FHWA: MD Field Office
FHWA POC: Ms. Mitchele Waxman-Johnson
Address: The Rotunda—Suite 220, 711 West 40th St., Baltimore, MD 21211–2187

Phone: (410) 962–4440
Fax:

Desgnation Date	Route Description	Restrict design 0123456789i ABIMP
	MD Restricted Routes	
01/25/80	Baltimore Harbor Tunnel [I–895]	0
01/25/80	Fort McHenry Tunnel [I95]	0
01/25/80	Francis Scott Key Bridge [State 695]	0
01/25/80	Harry W. Nice Memorial Bridge [Located on US Route 301]	0
01/25/80	J.F.K. Memorial Highway [I–95]	0
01/25/80	Thomas J. Hatem Mem. Bridge [US Route 40]	0
01/25/80	W.P. Lane, Jr. Mem. Bridge [Located on US 50/301]	0
	MD Designated Routes	
08/16/95	Interstate 495. [Note: Restricts all vehicles carrying hazmats to right two lanes.]	A

State: Massachusetts

Agency: MA Highway Department
POC: Kevin J. Sullivan
Address: Ten Park Plaza, Boston, MA 02116–3973
Phone: (617) 973–7500
Fax:
FHWA: MA Field Office
FHWA POC: Edward L. Silva
Address: 55 Broadway, 10th Floor, Cambridge, MA 02142
Phone: (617)494–2253
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	MA Restrict Routes	
11/13/94	Callahan Tunnel [Route 1A Northbound under Boston Inner Harbor]	0
12/01/95	Charlestown Tunnel from Interstate 93 to Charlestown	0
21/13/94	Interstate 90 [Ted Williams Tunnel under Boston Harbor]	0
11/13/94	Interstate 90 [Prudential Tunnel] from Dalton St. to Clarendon St. [including interchange 22]	0
11/13/94	Interstate 93 [Dewey Square Tunnel] from Sumner St. to Kneeland St	0
11/13/94	Sumner Tunnel [Route 1A Southbound under Boston Inner Harbor]	0
11/13/94	US 1 [Northbound and Southbound Tunnels in Boston]	0

State: Michigan

Agency: MI DOT
POC: James R. Desana
Address: 425 West Ottawa, P.O. Box 30050, Lansing, MI 48909
Phone: (517)–373–1884
Fax: (517)–373–0167
FHWA: MI Field Office
FHWA POC: Mr. Ronald Hatcher
Address: 315 West Allegan, Room 207, Lansing, MI 48933
Phone: (517) 377–1880
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	MI Restricted Routes	
01/01/29	Ambassador Bridge [Detroit] from Porter St. to Canada [Windsor]	1,3,7,8
03/08/95	Blue Water Bridge [I69] [Port Huron, MI to Sarnia, Ontario. NOTE: Pyrophoric Liquids prohibited. Contact Michigan Dept. of Transportation for specific restrictions.].	1,5,7,9
01/01/90	Interstate 696 [County of Oakland] from State Route M–10 to Interstate 75	1,3
03/08/95	International Bridge [I75] [All vehicles must contact Operations Supervisor before crossing. Sault Ste. Marie, MI to Sault Ste. Marie, Ontario.].	0

Designation date	Route description	Restrict design 0123456789i ABIMP
03/08/95	Mackinac Bridge [I75] [All vehicles must contact Operations Supervisor before crossing. Sault Ste. Marie, MI to Sault Ste. Marie, Ontario.].	0
01/01/64	State Route M–10 [Detroit] from 8 Mile Road [South] to Wyoming. [Note: Prohibits explosives and flammable cargo.].	1,3
01/01/58	State route M–10 [Detroit] from Howard St. to Jefferson	1,3
01/01/30	Windsor Tunnel [Detroit] from Jefferson Ave. to Canada [Windsor]	1,3,7,8

State: Minnesota

Agency: MN DOT—OCMS
POC: Michael Ritchie
Address: 1110 Centre Point Curve, GNB Building—MS 420, Mendota Heights, MN 55118
Phone: (612) 405–6120
Fax:
FHWA: MN Field Office
FHWA POC: Mr. Gerald Liibbe
Address: Galtier Plaza, Box 75, 175 5th St. East, Suite 500, St. Paul, MN 55101–2901
Phone: (612) 291–6111
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	MN Restricted Routes	
03/09/95	Lowry Hill Tunnel [I94]	1, 3

State: Mississippi

Agency: MS Emergency Mang. Services
POC: James E. Maher
Address: P.O. Box 4501, Jackson, MS 39296–4501
Phone: (601)–352–9100
Fax: (601)–352–8314
FHWA: MS Field Office
FHWA POC: Mr. Norberto Muñoz
Address: 666 North St., Suite 105, Jackson, MS 39202–3199
Phone: (601) 965–4218
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	MS Designated Routes	
02/06/94	[Utilize interstate system as the primary routes or transporting NRHM.]	A

State: Missouri

Agency: No response
POC:
Address:
Phone:
Fax:
FHWA: MO Field Office
FHWA POC: Mr. Kevin J. Kelly
Address: P.O. Box 1787, 209 Adams St., Jefferson City, MO 65102
Phone: (573) 636–7104
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
MO Designated Routes		
	No Routes Designated as of 07/11/97	

State: Montana

Agency: Montana DOT
POC: Mr. David Galt
Address: Motor Carrier Services Div., P.O. Box 4639, Helena, MT 59620–0801
Phone: (406)–444–6130
Fax: (406)–444–7670
FHWA: MT Field Office
FHWA POC: Mr. Bob Burkhardt
Address: 301 S. Park St., Drawer 10056, Helena, MT 59626
Phone: (406) 441–1230 x240
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
MT Restricted Routes		
09/26/94	US 191 [through and around the Yellowstone Park area] [This route under the jurisdiction of the Park Service, not the State of Montana. Contact Yellowstone Visitor Services Office 307–344–2115.]	0

State: Nebraska

Agency: Nebraska State Patrol
POC: Major Bryan Tuma
Address: P.O. Box 94907, Lincoln, NE 68509–4907
Phone: (402) 479–4950
Fax:
FHWA: NE Field Office
FHWA POC: Mr. Ed Kosola
Address: Federal Building, Room 220, 100 Centennial Mall North, Lincoln, NE 68508
Phone: (402) 437–5973
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
NE Designated Routes		
	*** No Routes Designated as of 10/9/96 ***	

State: Nevada

Agency: No Response.
POC:
Address:
Phone:
Fax:
FHWA: NV Field Office
FHWA POC: Mr. Randy Bellard
Address: 705 N. Plaza St., Suite 220, Carson City, NV 89701–4015
Phone: (702) 687–5322
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
NV Restricted Routes		
	*** No Routes Designated as of 10/09/96 ***	

State: New Hampshire

Agency: NH Dept. of Transportation
POC: Mr. Steve Gray
Address: 1 Hazen Dr., P.O. Box 483, Concord, NH 03302–0483
Phone: (603) 271–2693
Fax:
FHWA: NH Field Office
FHWA POC: Mr. Harry Kinter
Address: 279 Pleasant St., Room 204, Concord, NH 03301
Phone: (603) 225–1644
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	NH Designated Routes	
	* * * No Routes Designated as of 07/15/97 * * *	

State: New Jersey

Agency: Ports Terminals & Freight Svcs
POC: Theodore H. Matthews, Manager
Address: NJ Dept of Transportation, 1035 Parkway Ave (CN–600), Trenton, NJ 08625
Phone: (609) 530–8026
Fax:
FHWA: NJ Field Office
FHWA POC: Mr. Lloyd Jacobs
Address: 840 Bear Tavern Rd., Suite 310, West Trenton, NJ 08628–1019
Phone: (609) 637–4211
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	NJ Designated Routes	
	* * * No Routes Designated as of 10/09/96 * * *	

State: New Mexico

Agency: NM State Hwy & Transportation
POC: Leroy Sandoval
Address: General Office, P.O. Box 1149, Santa Fe, NM 87504–1149
Phone: (505)–827–3213
Fax:
FHWA: NM Field Office
FHWA POC: Mr. Steve VonStein
Address: 604 W. San Mateo Rd., Santa Fe, NM 87505
Phone: (505) 820–2028
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
02/18/91	Interstate 10 [within Las Cruces city Limits]	A
02/18/91	Interstate 25 [within Las Cruces city Limits]	A
08/14/91	Interstate 25 from US 84/285 [Sante Fe, MP 283.8] to Colorado [MP 462.124] [Note: When New Mexico Route 599 (Santa FE Relief Route N) is completed, I–25 may be used between Route 599 (MP 277.07) and US 84/285 (MP 283.8).].	P
08/14/91	Interstate 40 Business/US 54 [Loop 35, Historic US 66, Coronado St.] From Interstate 40 [E. Santa Rosa, MP 4.367] to US 54 (S) [Santa Rosa, MP 1.21].	P
08/14/91	Interstate 40 from Arizona [MP 0.0] to US 285 [Clines Corners, MP 218.064]	P
08/14/91	Interstate 40 from Texas [MP 373.51] to Interstate 40 Business/US 54 [E. Santa Rosa, MP276.836]	P
08/14/91	LANL Truck Route [Los Alamos National Lab] from LANL [Transuranic Waste Storage Facility] to State 4 [Jct. Jemez Rd, White Rock].	P
08/14/91	North Access Rd. to WIPP from US 62/180 [Tower Hill] to WIPP [Waste Handling Building]	P
08/14/91	State 4 [Jemez Rd, White Rock MP 66.735] from Jemez Rd [White Rock, MP 66.735] to State 502 (E) [Los Alamos (E), MP 67.946].	P

Designation date	Route description	Restrict design 0123456789i ABIMP
08/14/91	State 502 from State 4 [Los Alamos, MP 6.110] to US 84/285 [Pojoaque, MP 18.301]	P
08/14/91	US 54 from Interstate 40 Business [Santa Rosa, MP 243.188] to US 285 [Vaughn, MP 205.262]	P
08/14/91	US 62/180 from US 285 [Canal St., Carlsbad, MP 35.549] to North Access Rd. to WIPP [Tower Hill, MP 64.4] [Note: Use Carlsbad Bypass at US 62/180 MP 39.085 when completed].	P
08/14/91	US 62/180/285 from US 285 [South Carlsbad, MP 33.499] to US 62/180 [Green St., Calsbad, MP 35.549]	P
02/18/91	US 70 from East City Limits [Las Cruces near Organ] to Interstate 25	A
08/14/91	US 84/285 from State 502 [Pojoaque, MP 181.565] to Interstate 25 [Sante Fe, MP 161.806] [Note: When completed, use Future New Mexico Route 599 (Santa Fe Relief Route N) from US 84/285 MP 167.908 to I–25 in Santa Fe. I–25 can then be used from NM 599 (MP 277.07) to the CO border (MP 462.124).].	P
08/14/91	US 285 from Interstate 25 [Eldorado, MP 290.809] to US 62/180 [Greene St., Carlsbad, MP 33.262] [Note: Use Roswell Bypass and Carlsbad N. Relief Route when completed to bypass these cities.].	P
08/14/91	US 285 from Texas [MP 0.0] to US 62/180 [South Carlsbad, MP 31.225]	P

State: New York

Agency: No Agency Designated
POC:
Address:
Phone:
Fas:
FHWA: NY Field Office
FHWA POC: Ms. Roslyn Webber
Address: Leo O'Brien Federal Bldg; Clinton & N. Pearl St., 9th FL, Albany, NY 12207
Phone: (518) 431–4125
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	NY Restricted Routes	
01/06/95	Verrazano Bridge [Call (718) 403–1580 for more information.]	1
01/06/95	[Upstate New England/New York and Westchester County to Brooklyn Piers] [Note: For specific route designation, contact NYC Fire Dept.].	A
01/06/95	[Long Island (Nassau or Suffolk) to Brooklyn and Staten Island Piers.] [Note: For specific route designation, contact NYC Fire Dept.].	A
01/06/95	[Long Island (Nassau and Suffolk) to Manhattan Piers.] [Note: for specific route designation, contact NYC Fire Dept.].	A
01/06/95	[Routes to Howland Hook Truck Terminal, Station Island.]	A
01/06/95	[Truck and Railroad Terminal routes in the Bushwick, Brooklyn, Maspeth, and Queens area.]	A
01/06/95	Interstate 87/I95/I278/I295/I495/I678 [southbound] from Upstate New York [via New York Thruway (I87)] to J.F.K. International Airport [From I87 south to Major Deegan Expressway (I87) to Cross Bronx Expressway (I95) east to Bruckner Expressway (I278) to Throgs Neck Bridge to Clearview Expressway (I295) via Throgs Neck Bridge to Clearview Expressway (I295) to Long Island Expressway (I495) west to Van Wyck Expressway (I678) south to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 87/I95/I278/I295/I495 [southeast bound] from Upstate New York/New England to Nassau and Suffolk Counties [From New York State Thruway (I87) south to Major Deegan Expressway (I87), to Cross Bronx Expressway (I95), east to Bruckner Bruckner Expressway (I278) to Throgs Neck Bridge, to Clearview Expressway (I295) to Long Island Expressway (I495 to counties. Note: Rendezvous with escort, if required, at service area between Westchester County line and east 233rd St. exit. -call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 87 [southbound] from Westchester County [western portion of New Jersey [George Washington Bridge] [From New York Thruway (I87) to Major Deegan Expressway to Washington Expressway via Alexander Hamilton Bridge to G.W. Bridge. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 87 [northbound] from New Jersey [George Washington Bridge (upper level)] to Westchester County [western portion] [From New Jersey (crossing G. Washington Bridge) to Washington Expressway via Alexander Hamilton Bridge to Major Deegan Expressway to New York Thruway (I87) Note: For escort rendezvous, if required, at G.W. Bridge Administrative Bldg.—Toll Plaza. Call (718) 403–1580.].	A
01/06/95	Interstate 95/I295/I495/I678 [southbound] from Upstate New England [via New England Thruway (I95)] to J.F.K. International Airport [From New England Thruway (I95) southbound to Bruckner Expressway (I95) to Throgs Neck Expressway (I295) via Throgs Neck Bridge to Clearview Expressway (I295) to Long Island Expressway (I495) west to Van Wyck Expressway (I678) to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 95/I295/I495/I278 from Upstate New England [at New England Thruway (I95)] to LaGuardia Airport [From upstate at New England Thruway (I95) south to Bruckner Expressway (I295), via Throgs Neck Bridge to Clearview Expressway (I295) to Long Island Expressway (I495) west to Brooklyn Queens Expressway (I278) east to Astoria Blvd. (exit 39) to 82nd St. to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	

Designation date	Route description	Restrict design 0123456789i ABIMP
01/06/95	Interstate 95/I295/I495/I278 [southwest bound] from Upstate New England [via New England Thruway (I95) to LaGuardia Airport [From New England Thruway (I95) south to Bruckner Expressway (I95) to Throgs Neck Expressway (I295) via Throgs Neck Bridge to Clearview Expressway (I295) to Long Island Expressway (I495) west to Brooklyn Queens Expressway (I278) east to Astoria Blvd. (exit 39) to 82nd St. to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 95/I295/I495 [southeast bound] from Upstate New York/New England to Nassau and Suffolk Counties [From New England Thruway (I95) to Bruckner Expressway (I95) to Throgs Neck Expressway (I295), to Throgs Neck Bridge, to Clearview Expressway (I295), to Long Island Expressway (I495) eastbound to counties. Note: Escort rendezvous, if required, at Connors St. on New England Thruway (I95) southbound. Call (718) 403–1580.].	A
01/06/95	Interstate 95/I295/I495/I678 [southwest bound] from New Jersey [George Washington Bridge] to J.F.K. International Airport [From New Jersey to Washington Expressway via Alexander Hamilton Bridge to Cross Bronx Expressway (I95) east to Throgs Neck Bridge to Clearview Expressway (I295) to Long Island Expressway (I495) west to Van Wyck Expressway (I678) south to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 95/I295/I495/I678 [southeast bound] from New Jersey [George Washington Bridge] to LaGuardia Airport [From G.W. Bridge, via Alexander Hamilton Bridge, to Cross Bronx Expressway (I95) east to Throgs Neck Bridge (south) to Clearview Expressway (I295) to Long Island Expressway (I495) west to Van Wyck Expressway (I678) north to Northern Blvd. (25A) west to Astoria Blvd. to 82nd St. to airport. Note: Escort rendezvous, if required, at G.W. Bridge at Administrative Bldg.—Toll Plaza. Call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 95/I295/I495 [east bound] from New Jersey [George Washington Bridge] to Nassau and Suffolk County [From George Washington Bridge (upper level), via Washington Expressway, via Alexander Hamilton Bridge, to Cross Bronx Expressway (I95), east on Cross Bronx Expressway (I95) to Throgs Neck Bridge (south) to Clearview Expressway (I295) to Long Island Expressway (I495) eastbound to counties. Note: Escort rendezvous, if required, at G.W. Bridge at Administrative Bldg.—Toll Plaza. Call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate [northeast bound] from New Jersey [George Washington Bridge] to Upstate New York/New England [eastern Westchester County] [From G.W. Bridge (upper level) to Washington Expressway via the Alexander Hamilton Bridge to Cross Bronx Expressway (I95) east to Bruckner Interchange, and continue onto New England Thruway (I95). Note: For escort rendezvous, if required, at G.W. Bridge at Administrative Bldg.—Toll Plaza. Call (718) 403–1580.	A
01/06/95	Interstate 95 [southwest bound] from Upstate New York/New England [eastern Westchester County] to New Jersey [George Washington Bridge] [From New England Thruway (I95), continue to Bruckner Expressway, (I95) to (I95), to Washington Expressway to George Washington Bridge via Alexander Hamilton Bridge. Note: Escort rendezvous at Connors St. exit on New England Thruway (I95) southbound, if required. Call (718) 403–1580.].	A
01/06/95	Interstate 278/S440 from Brooklyn Piers to New Jersey [via Bayonne Bridge] [From pier via local streets to nearest exit to Brooklyn Queens Expressway (I278) to Staten Island Expressway (I278 via Verrazano Bridge to Willowbrook Expressway (State 440) to Bridge. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278 from Brooklyn Piers to New Jersey [via Goethals Bridge] [From pier via local streets to nearest exit to Brooklyn Queens Expressway (I278) to Staten Island Expressway (I278 via Verrazano Bridge to Bridge. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278/I495 [southeast] from LaGuardia Airport to Long Island Expressway (I495)] [From airport to 82nd St. south to Astoria Blvd. to Brooklyn Queens Expressway (I278) to Long Island Expressway (I495). Note: For escort rendezvous, if required, call (718) 403–1580.].	
01/06/95	Interstate 278/I495/I678/S27 [southeast bound] from LaGuardia Airport to Long Island [via State 27] [From airport to 82nd St. south to Astoria Blvd. to Brooklyn Queens Expressway (I278) west to Long Island Expressway (I495) east to Van Wyck Expressway (I678) south to North Conduit Blvd. to Sunrise Highway (State 27) eastbound. Note: For escort rendezvous, if required, call (718) 403–1580.].	
01/06/95	Interstate 278/I495/I295/I95 [northeast bound] from LaGuardia Airport to Upstate New England [via New England Thruway (I95)] [From airport to 82nd St. to Astoria Blvd. to Brooklyn Queens Expressway (I278) to Long Island Expressway (I495) to Clearview Expressway (I295) to Throgs Neck Expressway (I295 via Throgs Neck Bridge to New England Thruway (I95). Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 278/I495/I295/I278/I95/I87 [northeast bound] from LaGuardia Airport to Upstate New England [via New York Thruway(I87)] [From airport to 82nd St. to Astoria Blvd. to Brooklyn Queens Expressway (I278) to Long Island Expressway (I495) to Clearview Expressway (I295) too Bruckner Expressway (I278) via Throgs Neck Bridge to Cross Bronx Expressway (I95) to Major Deegan Expressway (I87) to New York State Thruway (I87) Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 278 [southwest bound] from LaGuardia Airport to New Jersey [Goethals Bridge] [From airport to 82nd St. (south) to Astoria Blvd. to Brooklyn Queens Expressway (I278) to Verrazano Bridge to Staten Island Expressway to New Jersey. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278/S440 [southwest bound] from LaGuardia Airport to New Jersey [Outerbridge Crossing] [From airport to 82nd St. (south) to Astoria Blvd., to Brooklyn Queens Expressway (I278) across Verrazano Bridge to Staten Island Expressway (I278) to State 440 to New Jersey. Note: Explosives prohibited on Verrazano Bridge.].	A

Designation date	Route description	Restrict design 0123456789i ABIMP
01/06/95	Interstate 278/I495 [eastbound] from Staten Island Expressway [at intersection of State 440] to Nassau and Suffolk County [From Staten Island Expressway (I278) eastbound, cross Verrazano Bridge (Upper level) to Brooklyn Queens Expressway (I278) eastbound, to Long Island Expressway (I495) to counties. Note: Rendezvous escort, if required, at the Administrative Bldg.—Toll Plaza, if entering New York from New Jersey at the Bayonne, Outerbridge or Goethals Bridges. call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278//S440 from Staten Island Piers to New Jersey [via Bayonne Bridge] [From east side piers via local streets to Bay St. to Staten Island Expressway (I278) to Willowbrook Expressway (State 440) north or from Northside Piers to local streets to Richmond Terrace to Western Ave. to Staten Island Expressway to Willowbrook Expressway. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 278 from Staten Island Piers to New Jersey [via Goethals Bridge] [From east side piers to local streets to Bay St. to Staten Island Expressway (I278), or from Northside Piers to local streets to Richmond Terrace to Western Ave. to Goethals Rd. North to Forest Ave. to Staten Island Expressway to New Jersey. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 278/S440 from Staten Island Piers to New Jersey [via Outerbridge Crossing] [From east side piers via local streets to Bay St. to Staten Island Expressway (I278) to West Shore Expressway (State 440), or from Northside Piers via local streets to Richmond Terrace to Western Ave. to Staten Island Expressway to Staten Island Expressway to West Shore Expressway. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 278 from New Jersey [via Goethals Bridge] to Brooklyn Piers [From bridge to Staten island Expressway (I278) to Verrazano Bridge (upper level) to Brooklyn Queens Expressway (I278) east to nearest exit to location of pier then local streets to pier. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278/I495/I678 [eastbound from New Jersey [Goethals Bridge] to J.F.K. International Airport [From New Jersey to Staten Island Expressway (I278) to Verrazano Bridge (upper level) to Brooklyn Queens Expressway (I278) east to Long Island Expressway (I495) east to Van Eyck Expressway (I678) south to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278 [northeast bound] from New Jersey [Goethals Bridge] to LaGuardia Airport [From Goethals Bridge to Staten Island Expressway (I278) to Verrazano Bridge to Brooklyn Queens Expressway (I278) to Astoria Blvd. (exit 39), east to 82nd St. (north) to LaGuardia Airport. Note: Escort rendezvous, if required, at Goethals Bridge Administrative Bldg.—Toll Plaza. Call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278 [eastbound] from New Jersey [Goethals Bridge] to Staten Island Expressway [I278] [Note: Escort rendezvous, if required, at Goethals Bridge Administrative Bldg.—Toll Plaza. Call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 278 from New Jersey [via Goethals Bridge] to Staten Island Piers [From New Jersey via Goethals Bridge via Staten Island Expressway (I278) to Forest Ave. north to Richmond Terrace, then local streets for northside Piers or Staten Island Expressway east to Bay St. exit, then local streets to east side piers.].	A
01/06/95	Interstate 278 from New Jersey [via Goethals Bridge] to Staten Island Piers [From New Jersey via Goethals Bridge via Staten Island Expressway (I278) to Forest Ave. north to Goethals Rd. Northwest to Western Ave. north to Richmond Terrace, then local street for Northside Piers, or Staten Island Expressway east to Bay Street exit, then local streets to ease side piers. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 495/I678 [westbound] for Long Island [via L.I.E. (I495)] to J.F.K. International Airport [West on Long Island Expressway (I495) to Van Wyck Expressway (I678) south to airport.].	A
01/06/95	Interstate 495/I678 [northwest bound] from Long Island Expressway [I495 to LaGuardia Airport [From Long Island Expressway (I495] to Van Wyck Expressway (I678) north to Northern Blvd. (25A) west to Astoria Blvd. to 82nd St. to airport. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 495/I278 [northeast bound] from Long Island Expressway [I495] to LaGuardia Airport [From Long Island Expressway (I495) to Brooklyn Queens Expressway (I278) east to Astoria Blvd. (Exit 39) to 82nd St. north to airport. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 495/I278 [westbound] from Nassau and Suffolk Counties to New Jersey (Goethals Bridge] [Note: rendezvous for escort, if required, is on right side of westbound L.I.E. (495) between Lakeville Rd. and Littleneck Parkway. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 495/I295/I278/I95/I87 [northwest bound] from Nassau and Suffolk county to Upstate New York/New England [From counties west on Long Island Expressway (I495) to Clearview Expressway (I495) to Clearview Expressway (I295) to Throgs Neck Bridge to Bruckner Expressway (I278 to Cross Bronx Expressway (I95) to Major Deegan Expressway (I87) to New York State Thruway (I87). Note: Rendezvous for escorts, if required, on service road (westbound) of Long Island Expressway (I495) at Little Neck Parkway. Call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 495/I295/I95 [northwest bound] from Nassau and Suffolk County to Upstate New York/New England [From county line to Long Island Expressway (I495) to Clearview Expressway (I295) to Throgs Neck Bridge to Throgs Neck Expressway (I295), to Bruckner Expressway (I95) to New England Thruway (I95). Note: Rendezvous, if required, with escort at service road (westbound) of L.I.E. (I495) at Little Neck Parkway. Call (718) 403–1580.].	A
01/06/95	Interstate 495/I295/I95 [westbound] from Nassau and Suffolk County to New Jersey [George Washington Bridge] [Note: Rendezvous for escorts, if required, are on right side of westbound Long Island Expressway (I495) between Lakeville Rd. and Littleneck Parkway. Call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A

Designation date	Route description	Restrict design 0123456789i ABIMP
01/06/95	Interstate 678/I495 [eastbound] from J.F.K. International Airport to Long Island [via I678] [From airport to Van Wyck Expressway (I678) north to Long Island Expressway (I495) east.].	A
01/06/95	Interstate 678/S27 [eastbound] from J.F.K. International Airport to Long Island [via Sunrise Highway (State 27)] [From airport north on Van Wyck Expressway (I678) to to North Conduit Blvd. to Sunrise Highway (State 27) east.].	A
01/06/95	Interstate 678/I495/I295/I95 [northbound] from J.F.K. International Airport to Upstate New England [via New England Expressway (I95)] [From airport to Van Wyck Expressway (I678) to Long Island Expressway to Clearview Expressway (I295) to Throgs Neck Expressway (I295) via Throgs Neck Bridge to Bruckner Expressway (I95) to New England Thruway (I95). Note: escort rendezvous, if required, call (718) 403–158□ Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 678/I495/I295/I95/I87 [northbound] from J.F.K. International Airport to Upstate New York [via New York State Thruway (I87)] [From airport to Van Wyck Expressway (I678) to Long Island Expressway (I495 to Clearview Expressway (I295 to Bruckner Expressway (I278) via Throgs Neck Bridge to Cross Bronx Expressway (I95) to Major Deegan Expressway (I87) to New York State Thruway (I87). Note: escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 678/I495/I295/I278/I95/I87 [northbound] from J.F.K. International Airport to Upstate New York [via New York State Thruway (I87)] [From airport to Van Wyck Expressway (I678) to Long Island Expressway to Clearview Expressway (I295) to Bruckner Expressway via Throgs Neck Bridge to Cross Bronx Expressway (I95) to Major Deegan Expressway (I87) to New York State Thruway (I87). Note: escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 678/I495/I278 [Westbound] from J.F.K. International Airport to New Jersey [Coethals Bridge] [From airport to Van Wck Expressway (I678) to Long Island Expressway (I495) to Brooklyn Queens Expressway (I278) to Staten Island Expressway (I278) via Verrazano Bridge to New Jersey. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 678/I495/I278/S440 [westbound] from J.F.K. International Airport to New Jersey [Outerbridge Crossing] [From airport to Van Wyck Expressway (I678) to Long Island Expressway (I495) to Brooklyn Queens Expressway (I278) to Staten Island Expressway via Verrazano Bridge to West Shore Expressway (State 440) to New Jersey. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	Interstate 678/I495/I295/I95 [northwest bound] from J.F.K. International Airport to New Jersey [George Washington Bridge] [From airport to Van Wyck Expressway (I678) to Long Island Expressway (I495) to Clearview Expressway (I295) to Cross Bronx Expressway via Throgs Neck Bridge to Washington Expressway via Alexander Hamilton Bridge to New Jersey. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Exclusive for vehicles not carrying explosives.].	A
01/06/95	Interstate 678/I495 [southeast bound] from LaGuardia Airport to Long Island [via Long Island Expressway (I495)] [From airport to 82nd St. south to Astoria Blvd. to Northern Blvd. east to Van Eyck Expressway (I678) south to Long Island Expressway east to Long Island. Note: For escort rendezvous, if required, call (718) 403–1580.	A
01/06/95	Interstate 678/S27 [southeast bound] from LaGuardia Airport to Long Island [via State 27] [From airport to 82nd St. south to Astoria Blvd. to Northern Blvd. east to Van Wyck Expressway (I678) south to North Conduit Blvd. to Sunrise Highway (State 27) eastbound. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	Interstate 678/I495/I295/I95 [northwest bound] from LaGuardia Airport to New Jersey [George Washington Bridge] [From airport to 82nd St. (south) to Astoria Blvd. to Northern Blvd. (west) to Van Wyck Expressway (I678) to Long Island Expressway (I495) to Clearview Expressway (I295) across Throgs Neck Bridge to Cross Bronx Expressway (I95) to Washington Expressway via Alexander Hamilton Bridge to G.W. Bridge. Note: Exclusive to vehicles not carrying explosives.].	A
01/06/95	New Jersey to Manhattan Piers from George Washington Bridge to Manhattan Piers. [Note: For specific route designation, contact NYC Fire Dept.].	A
01/06/95	State 27 [eastbound] from J.F.K. International Airport to Long Island [via Sunrise Highway (State 27)] [From airport to Rockaway Blvd. or 150th St. to North Conduit Blvd. to Sunrise Highway (State 27) east.].	A
01/06/95	State 27/I678 [westbound] from Long Island [via Sunrise Highway (State 27)] to J.F.K. International Airport [West on Sunrise Highway (State 27) to North Conduit Blvd. to Van Wyck Expressway (I678) south to airport.].	A
01/06/95	State 27 [westbound] from Long Island [via Sunrise Highway (State 27)] to J.F.K. International Airport [West on Sunrise Highway (State 27) to North Conduit Blvd. to Rockaway Blvd. or 150th St. to airport.].	A
01/06/95	State 27/I678 [northeast bound] from Long Island [at State 27] to LaGuardia Airport [From Sunrise Highway (State 27) to N. Conduit Blvd. to Van Wyck Expressway (I678) north to Northern Blvd. (25A) west to Astoria Blvd. to 82nd St. north to airport. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	State 27/I678/I495/I278 [northeast bound] from Long Island [at State 27] to LaGuardia Airport [From Sunrise Highway (State 27) to N. Conduit Blvd. to Van Wyck Expressway (I678 north to Long Island Expressway west to Brooklyn Queens Expressway (I278) east to Astoria Blvd. (Exit 39) east to 82nd St. north to airport. Note: For escort rendezvous, if required, call (718) 403–1580.].	A
01/06/95	State 440/I278 from New Jersey [via Bayonne Bridge] to Brooklyn Piers [From bridge, south via Willow Brook Expressway (State 440) to Staten Island Expressway (I278) east to Verrazano Bridge (upper level) to Brooklyn Queens Expressway (I278) east to nearest exit to location of pier then local streets to pier. Note: Explosives prohibited on Verrazano Bridge.].	A

Designation date	Route description	Restrict design 0123456789i ABIMP
01/06/95	State 440/I278 from New Jersey [via Outerbridge Crossing] to Brooklyn Piers [From bridge, to West Shore Expressway (State 440) to Staten Island Expressway (I278) to Verrazano Bridge (upper level) to Brooklyn Queens Expressway (I278) to nearest exit to location of pier, local streets to pier. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	State 440/I278/I495/I678 [eastbound] from New Jersey [Outerbridge Crossing] to J.F.K. International Airport [From New Jersey to West Shore Expressway (State 440) to Staten Island Expressway (I278) to Verranzano Bridge (upper level) to Brooklyn Queens Expressway (I278) east to Long Island Expressway (I495) east to Van Wyck Expressway (I678) south to airport. Note: For escort rendezvous, if required, call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	State 440/I278 [northeast] from New Jersey [Outerbridge Crossing] to LaGuardia Airport [From New Jersey to West Shore Expressway (S440), to Staten Island Expressway (I278) west to Verrazano Bridge (upper level), to Brooklyn Queens Expressway (I278), to Astoria Blvd. (exit 39), east to 82nd St. (north) to airport. Note: Escort rendezvous, if required, at Outerbridge Crossing Administrative Bldg.—Toll Plaza. Call (718) 403–1580. Note: Explosives prohibited on Verrazano Bridge.].	A
01/06/95	State 440 [northbound] from New Jersey [Outerbridge Crossing] to Staten Island Expressway (I287)] [From Outerbridge Crossing to West Shore Expressway (north) to Staten Island Expressway. Note: Explosives prohibited on Verrazano Bridge. Note: If shipments of explosives are to Staten Island, rendezvous with escort at Outerbridge Crossing Administrative Bldg.—Toll Plaza.].	A
01/06/95	State 440 [southbound] from New Jersey [Bayonne Bridge] to Staten Island Expressway [(I278)] [From Bayonne Bridge to Willowbrook Expressway (S440) to Staten Island Expressway. Note: Explosives prohibited on Verrazano Bridge. Note: If shipments of explosives are to Staten Island, rendezvous with escort at Administrative Bldg. Toll Plaza of Bayonne Bridge. Call (718) 403–1580.].	A
01/06/95	State 440/I278 from New Jersey [via Bayonne Bridge] to Staten Island Piers [From New Jersey via Bayonne Bridge via Willowbrook Expressway (State 440) to Staten Island Expressway (I278) west to Western Ave. north to Richmond Terr. east to Northside Piers or Staten Island Expressway east to Bay St. Exit, then local streets to east side piers. Note: For escort rendezvous, if required, call (718) 403–1580.].	
01/06/95	State 440/I278 from New Jersey [via Outerbridge Crossing] to Staten Island Piers [From New Jersey via Outerbridge Crossing via West Shore Expressway (State 440) to Staten Island Expressway (I278) west to Western Ave. north to Richmond Terrace, then local streets for Northside piers, or Staten Island Expressway east to Bay St., then local streets to east side piers. Note: For escort rendezvous, if required, call (718) 403–1580.].	A

State: North Carolina

Agency: NC Dept. of Transportation
POC: Lt. George Gray
Address: Transportation Building, DMV, 1 S. Wilmington St., BOX 25201, Raleigh, NC 27611–5201
Phone: 919–733–4077
Fax:
FHWA: NC Field Office
FHWA POC: Mr. Joseph Max Tate
Address: 310 New Bern Ave., Suite 410, Raleigh, NC 27601
Phone: (919) 856–4354
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	NC Designated Routes	
	* * * No routes Designated as of 07/01/97 * * *.	

State: North Dakota

Agency: ND DOT
POC: Jerry Horner
Address: 608 East Blvd. Ave., Bismark, ND 58505
Phone: (701) 328–2545
Fax:
FHWA: ND Field Office
FHWA POC: Mr. George Struchynski
Address: Planning & Pavement, 1471 Interstate Loop, Bismark, ND 58501–0567
Phone: (701) 250–4349
Fax: (701) 250–4395

Designation date	Route description	Restrict design 0123456789i ABIMP
	ND Designated Routes	
	* * * No routes Designated as of 07/14/97 * * *.	

State: Ohio

Agency: Public Utilities Comm of OH
POC: Steven Lesser
Address: 180 East Broad St., Columbus, OH 43215
Phone: (614) 466–3191
Fax:
FHWA: OH Field Office
FHWA POC: Mr. James E. Buckson
Address: 200 N. High St., Room 328, Columbus, OH 43215
Phone: (614) 469–6896
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	OH Restricted Routes	
07/01/96	[Any other highway or state or local road not otherwise designated for the transportation of hazardous materials by the routing designation. [in Northeastern Ohio]].	0
05/04/92	City of Cleveland [City Streets] [Hazmat transportation in the City of Cleveland is prohibited where there is neither a point of origin nor delivery point with the City unless the point of origin or delivery is within one mile of the City limits and the use of the city streets is the safest and most direct route and the shortest distance of travel. Downtown streets are restricted from hazmat transportation between 7 AM and 6 PM daily, except on the weekend. When city streets are to be used, the transporter must use interstate highways to a point as close as possible to the destination.].	0
07/01/96	Interstate 71 from Interstate 80 to Interstate 90 [in Cuyahoga County]	0
07/01/96	Interstate 77 from Interstate 80 to Interstate 90 [in Cuyahoga County]	0
07/01/96	Interstate 90 from Interstate 271 [in Lake County] to Interstate 80/90 [in Lorain County]	0
07/01/96	Interstate 480 from Interstate 271 to Interstate 480N [in Cuyahoga County]	0
07/01/96	Interstate 490 from Interstate 90 to Interstate 77 [in Cuyahoga County]	0
07/01/96	State 2 from 44 to Interstate 90 [in Lake County]	0
07/01/96	State 44 from 2 to Interstate 90 [in Lake County]	0
	OH Designated Routes	
01/29/90	Bedford from Erieway Facility [at 33 Industry Drive] [Proceed on Industry Dr., turn right on Northfield Rd, turn left on Alexander Rd., to I271 access road. Alternatively, from Northfield Rd, turn right on Forbes Rd, turn right on Broadway Rd. to I271.].	A
04/06/85	Broad St. [Columbus]	A
10/14/93	County 35 [Old 21/Clark/Byesville Rd. in the City of Cambridge]	A
11/03/86	Cooper Foster Park Rd. [in the City of Lorain] [for destination within City only]	A
04/06/85	High St. [Columbus]	A
04/06/85	Interstate 70 [inside I270] [Only for the delivery of NRHM within the City of Columbus]	A
10/14/93	Interstate 70 [in the City of Cambridge] [For hazmat shipments which have neither a point of origin or destination within the City of Cambridge.].	A
04/06/85	Interstate 71 [inside I270] [Only for the delivery of NRHM within the City of Columbus]	A
07/01/96	Interstate 71 from Interstate 80 [in Cuyahoga County] to Interstate 271 [in Summit County]	A
10/14/93	Interstate 77 [in the City of Cambridge] [For hazmat shipments which have neither a point of origin or destination within the City of Cambridge.].	A
07/01/96	Interstate 77 from Interstate 80 [in Cuyahoga County] to Interstate 271 [in Summit County]	A
07/01/96	Interstate 80 [and I80/I90 Ohio Turnpike] from gate 13 [in Portage County] to Loraine/Erie County Line	A
11/01/94	Interstate 90 [in the City of Westlake]	A
11/03/86	Interstate 90 [in the City of Lorain] [For hazmat shipments which have neither a point of origin or destination within the City of Lorain.].	A
07/01/96	Interstate 90 from Lake/Ashtabula county line to Interstate 271 [in Lake county]	A
04/06/85	Interstate 270 [Columbus Outerbelt] [Shipments which do not have the destination within the City of Columbus, but as a throughway.].	A
07/01/96	Interstate 271 from Interstate 90 [in Lake County] to Interstate 71 [in Medina County]	A
07/01/96	Interstate 480N from Interstate 271 to Interstate 480 [in Cuyahoga County]	A
07/01/96	Interstate 480 from Interstate 480N [in Cuyahoga County] to Interstate 80 [in Loraine County]	A
07/01/96	Interstate 480 from Interstate 80 [Gate 13 in Portage County] to Interstate 271 [in Summit County]	A
04/06/85	Interstate 670 from Interstate 70 to Interstate 270 [Only for the delivery of NRHM within the City of Columbus].	A

Designation date	Route description	Restrict design 0123456789i ABIMP
10/02/89	Liberty St. [in the City of Painesville]	M
11/03/86	State 2 [in the City of Lorain] [For hazmat shipments which have neither a point of origin nor destination within the City of Lorain.].	A
10/02/89	State 2 [in the City of Painesville]	M
04/06/85	State 33 [inside I270] [Only for the delivery of NRHM within the City of Columbus]	A
10/02/89	State 44 [in the City of Painesville]	M
11/03/86	State 57 [in the city limits of Lorain] [for destination within City only]	A
11/03/86	State 58 [in the city limits of Lorain] [for destination within City only]	A
04/06/85	State 161 [inside I270] [Only for the delivery of NRHM within the City of Columbus	A
10/14/93	State 209 [Southgate Parkway in the City of Cambridge] [for destination within City only]	A
11/01/94	State 252 [Columbia Rd. in the City of Westlake]	A
11/01/94	State 254 [Detroit Rd. in the City of Westlake]	A
04/06/85	State 315 [inside I270] [Only for the delivery of NRHM within the city of Columbus	A
11/03/86	State 611 [in the city limits of Lorain] [for destination within City only]	A
10/14/93	Stubenville Ave. [in the City of Cambridge] [for destination within City only]	A
11/03/86	US 6 [in the city limits of Lorain] [for destination within City only]	A
11/01/94	US 20 [Center Ridge Rd. in the City of Westlake]	A
10/14/93	US 22 [Wheeling Ave. in the City of Cambridge] [for destination within City only]	A
10/14/93	US 40 [Whelling Ave. in the City of Cambridge] [for destination within City only]	A

State: Oklahoma

Agency: OK Dept. of Transportation
POC: Alan Soltani
Address: 200 NE 21st St., Oklahoma City, OK 73105–3204
Phone: (405) 521–2861
Fax:
FHWA: OK Field Office
FHWA POC: Mr. Mark Schroyer
Address: 715 S. Metropolitan, Suite 700, Oklahoma City, OK 73108
Phone: (405) 945–6172
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	OK Restricted Routes	
07/29/97	Interstate 40 [In Oklahoma City] from Interstate 44 to Interstate 35	0
07/29/97	OK City & Tulsa	0
	[Carriers transporting hazardous cargo should avoid traveling through large metropolitan areas during times of the day when congestion is expected. These carriers should also avoid construction zones when possible. Construction information can be accessed by calling the OK Department of Transportation at (405) 521–2554.].	
	OK Designated Routes	
07/29/97	All Interstates	A
	[All hazardous material shipments moving through Oklahoma should remain on Interstate routes, when possible.].	
07/29/97	Interstate 44 [Southwest of Oklahoma City] from Interstate 40 to Interstate 240	A
	[Use to bypass section of I–40 running through downtown Oklahoma City]	
07/29/97	Interstate 240 [South of Oklahoma City] from Interstate 44 to Interstate 40 [Southeast of Oklahoma City]	A
	[Use to bypass section of I–40 running through downtown Oklahoma City]	
07/29/97	Interstate 244 [Tulsa] from Interstate 44 [West of Tulsa] to Interstate 44 [East of Tulsa]	A
	[Use to bypass downtown Tulsa]	

State: Oregon

Agency: Oregon DOT
POC: Mike Eyer
Address: 12348 N. Center Ave., Portland, OR 97217
Phone: (503)–283–5790
Fax: (503)–283–5860
FHWA: OR Field Office
FHWA POC: Mr. John Wichman
Address: The Equitable Center-Suite 100, 530 Center Street, NE., Salem, OR 97301
Phone: (503) 399–5749

Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	OR Restricted Routes	
11/01/94	Interstate 84 [east of Pendelton]	1, 7
	[Arrowhead Truck Plaza (on tribal land) prohibits parking of classes 1.1, 1.2, 1.3, and 7.]	
11/01/94	NW Balboa Ave [Portland—crossing Burlington Northern rail tracks] from Frost Ave. to St. Helens Rd	0
11/01/94	NW Doane Ave. [Portland—crossing Burlington Northern rail tracks] from St. Helens Rd. to Frost Ave	0
11/01/94	US 26 [includes Vista Ridge Tunnel] from Interstate 405 to State 217	0
11/01/94	US 30 [St. Helens Rd. near NW Doane Ave. and NW Boloa Ave. Rail Crossings (Burlington Northern)]	0
	[Use the Kittridge Ave Overpass to Frost Ave.]	
	OR Designated Routes	
11/01/94	Interstate 5 from Interstate 405 to State 217	A
	[** alternate route in Portland **]	
11/01/94	Interstate 205 from Interstate 5 [south of Portland] to Interstate 5 [Washington State]	A
11/01/94	Interstate 405 from Interstate 5 to Interstate 5	A
	[** alternate route for Portland **]	
11/01/94	Kittridge Ave. Overpass [Portland] from St. Helens Ave. to Frost Ave.	A
11/01/94	State 217 from Interstate 5 to US 26	A
	[** alternate route in Portland]	

State: Pennsylvania

Agency: PA DOT
POC: Daniel R. Smyser, P.E.
Address: Chief, Motor Carrier Division, 555 Walnut Street, Harrisburg, PA 17101–1900
Phone: (717) 787–7445
Fax:
FHWA: PA Field Office
FHWA POC: Mr. Dennis M. McGee
Address: Office of Motor Carrier, 228 Walnut St., Room 558, Harrisburg, PA 17101–1720
Phone: (717) 782–4443
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	PA Restricted Routes	
01/01/40	Interstate 70/I76 [Allegheny Tunnel—Somerset County] from Exit 10 to Exit 11 [all loads prohibited except fuel oil, combustibles, non-flammable gas, liquid oxygen 1073, Saint Andrews Cross, and class 9.].	0
01/01/40	Interstate 76 [Tuscarora Tunnel—Franklin/Huntingdon Counties] from Exit 13 to Exit 14 [All loads prohibited except fuel oil, combustibles, non-flammable gas, liquid oxygen 1073, Saint Andrews Cross, and Class 9.].	0
01/01/40	Interstate 76 [Blue Mountain Tunnel and Kittatinny Tunnel—Franklin County] from Exit 14 to Exit 15 [All loads prohibited except fuel oil, combustibles, non-flammable gas, liquid oxygen 1073, Saint Andrews Cross, and Class 9.].	0
01/01/58	Interstate 279 [Forts Pitt Tunnels in Pittsburgh] [(1) Explosives A, (2) Explosives B, (3) Blasting Agents, (4) Flammable Gas, (5) Flammable, (6) Flammable Solids, and (7) Flammable Solid W. prohibited.].	0
01/01/52	Interstate 376 [Squirrel Hill Tunnels in Pittsburgh] from Exit 8 to Exit 9 [(1) Explosives A, (2) Explosives B, (3) Blasting Agents, (4) Flammable Gas, (5) Flammable, (6) Flammable Solids, and (7) Flammable Solid W. prohibited.].	0
01/01/50	Liberty Ave. [in Liberty Tunnels—Allegheny County] from Carston St. to Saw Mill Run Blvd. [(1) Explosives A, (2) Explosives B, (3) Blasting Agents, (4) Flammable Gas, (5) Flammable, (6) Flammable Solids, and (7) Flammable Solid W. prohibited.].	0
01/01/65	State 9 [Northeast Extension of PA Turnpike at Lehigh Tunnel] from Exit 33 to Exit 34 [All loads prohibited except fuel oil, combustibles, non-flammable gas, liquid oxygen 1073, Saint Andrews Cross, and Class 9.].	0
09/15/93	State 34 [in Cumberland County] from Segment 0270/Offset 0000 to Segment 0300/Offset 0000	0
09/09/93	State 39 [Dauphin County] from Segment 0030/Offset 0000 to Segment 0210/Offset 0000	0
09/15/93	State 74 [in Cumberland County] from Segment 0170/Offset 0000 to Segment 0210/Offset 0000	0
09/15/93	State 641 [in Cumberland County] from Segment 0440/Offset 3196 to Segment 0470/Offset 0000	0
11/03/94	SR3009 [Dauphin County] from Segment 0210/Offset 0720 to Segment 0221/Offset 1382	0
03/21/94	SR4020 [Lancaster County] from Segment 0010/Offset 0000 to Segment 0130/Offset 0000	0
09/15/93	US 11 [in Cumberland County] from Segment 0360/Offset 2119 to Segment 0510/Offset 0000	0
09/09/93	US 22 [Eastbound—Dauphin County] from Segment 0420/Offset 0000 to Segment 0570/Offset 0000	0
09/09/93	US 22 [Westbound—Dauphin County] from Segment 0421/Offset 0000 to Segment 0571/Offset 0000	0

Designation date	Route description	Restrict design 0123456789i ABIMP
07/22/89	US 30 [West—Descending Laurel Mountain in Somerset/Westermoreland Counties] [Descending Laurel Mountains into the Village of Laughlintown (to protect Ligonier Municipal Reservoir). The ''recommended'' alternate route is south on US 219 to I–76 (PA Turnpike), west on I–76 to New Stanton. Note: A Permit is required on the PA Turnpike.].	0

State: Rhode Island

Agency: Depart. of Enviro. Mgt.
POC: Beverly M. Migliore
Address: Div. of Waste Mgt., 291 Promenade Street, Providence, RI 02908
Phone: (401)–277–2797
Fax:
FHWA: RI Field Office
FHWA POC: Mr. Ralph Rizzo
Address: 380 Westminster Mall, 5th Floor, Providence, RI 02903
Phone: (401) 528–4548
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	RI Restricted Routes	
07/18/84	Aquidneck Ave. [in Middletown] from Wave Ave. to Valley Road	0
07/18/84	Bliss Mine Road [in its entirety in Newport & Middletown]	0
07/18/84	Burchard Road [in its entirety in Little Compton]	0
07/18/84	Central Pike [in Scituate and Foster] from Route 94 [Foster] to Route 102 [Scituate]	0
07/18/84	Danielson Pike [in Scituate] from Route 6 to Route 6	0
07/18/84	Miantonami Ave. [in Middletown] from Bliss Mine Road to Valley Road	0
07/18/84	Neck Road [in its entirety in Tiverton]	0
07/18/84	North Main Road [in Jamestown] from Route 138 to East Shore Road	0
07/18/84	Old Plainfield Pike [in Foster & Scituate] from Route 102 to Route 12 [Scituate]	0
07/18/84	Peckham Road [in Little Compton] from Route 77 to Burchard Road	0
07/18/84	Reservoir Road [in its entirety in Smithfield and North Smithfield]	0
07/18/84	Reservoir Road [in Cumberland] from Route 114 to Massachusetts	0
07/18/84	Rocky Hill Rd. & Peeptoad Rd. [in Scituate] from Route 101 to Route 116 [Sawmill Rd.]	0
07/18/84	Route 101 [in Foster, Glocester, and Scituate] from Route 94 [Foster] to Route 6 [Scituate]	0
07/18/84	Route 102 [in Scituate and Foster] from Route 94 [Foster] to Snake Hill Road [Glocester]	0
07/18/84	Route 116 [in Scituate & Smithfield] from Scituate Ave. [Scituate] to Smoke Hill Rd. [Smithfield]	0
07/18/84	Route 12 [in Scituate and Cranston] from Route 14 [Scituate] to Route 116 [Scituate]	0
07/18/84	Route 120 [in Cumberland] from Mendon Road to Massachusetts	0
07/18/84	Route 14 [in Scituate] from Route 102 to Route 116	0
07/18/84	Route 295 [in Smithfield and Lincoln] from Exit 8 [Douglas Pike—Smithfield] to Exit 9 [Route 146—Lincoln]	0
07/18/84	Route 6 [in Scituate, Johnston, & Foster] from Route 94 [Foster] to Hopkins Ave. [Johnson]	0
07/18/84	Route 77 [in Little Compton and Tiverton] from Peckham Road [Little Compton] to Route 179 [Tiverton]	0
07/18/84	Route 94 [in Foster] from Route 101 to Route 102 [Scituate]	0
07/18/84	School House Road [in Warren] from Birch Swamp Rd. to Long Lane	0
07/18/84	Serpentine Road [in its entirety in Warren]	0
07/18/84	Valley Road [in Middletown] from Miantonami Ave. to Route 138	0
07/18/84	Wave Ave. [in its entirety in Middletown]	0

State: South Carolina

Agency: No Response
POC:
Address:
Phone:
Fax:
FHWA: SC Field Office
FHWA POC: Mr. Steve Ikerd
Address: Strom Thurmond Federal Bldg., 1835 Assembly St., Suite 758, Columbia, SC 29201
Phone: (803) 253–3885
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	SC Designated Routes	
	* * * No Routes Designated as of 07/01/97 * * *.	

State: South Dakota

Agency: South Dakota Highway Patrol
POC: Capt. Myron Rau
Address: 500 E. Capitol, Pierre, SD 57501
Phone: (605) 773–3105
Fax:
FHWA: SD Field Office
FHWA POC: Ms. Ginger Massie
Address: 116 East Dakota, P.O. Box 700, Pierre, SD 57501
Phone: (605) 224–7326 x3037
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	SD Designated Routes	
	* * * No Routes Designated as of 07/08/97 * * *.	

State: Tennessee

Agency: TN DOT
POC: Carl Cobble
Address: Suite 700, James K. Polk, Bldg, Nashville, TN 37243
Phone: (615) 741–2027
Fax:
FHWA: TN Field Office
FHWA POC: Ms. Laura Cove
Address: 249 Cumberland Bend Dr., Nashville, TN 37228
Phone: (615) 736–7106
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	TN Restricted Routes	
05/15/87	Interstate 40 [Through City of Knoxville] from Exit 385 [intersection with I–75/I–640 west of Knoxville] to Exit 393 [intersection with I–640 east of Knoxville] [Prohibition does not apply to hazmat shipments originating at or destined to the City of Knoxville and to service points of US 129 in Blount County as verified by appropriate shipping papers, or shipments to be interlined with other carriers or to be transferred to other vehicles of the same carrier at facilities in these areas, or to vehicles which need emergency repair or warranty work performed at authorized dealers these areas.].	
	TN Designated Routes	
05/15/87	Interstate 640/I75 from Interstate 40 [exit 385 West of Knoxville] to Interstate 40 [exit 393 East of Knoxville].	A

State: Texas

Agency: TX Department of Public Safety
POC: Major Lester Mills
Address: Traffic Law Enforcement Division, P.O. Box 4087, Austin, TX 78773
Phone: (512) 424–2116
Fax:
FHWA: TX Field Office
FHWA POC: Mr. Bob Musselman
Address: Federal Office Bldg., Rm 826, 300 East 8th St., Austin, TX 78701
Phone: (512) 916–5966
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	TX Restricted Routes	
11/01/94	Interstate 30 [Dallas] from Interstate 35 to Oakland Ave. [Overpass] [No operator of a motor vehicle transporting hazardous material scheduled for delivery to or from a Dallas Terminal shall transport those materials on any street or highway, or segment of a street or public highway designated as ''Prohibited Hazardous Materials Area.'']	0
11/01/94	Interstate 45 Elevated [Dallas] from Lamar Underpass to Bryan St. Underpass [No operator of a motor vehicle transporting hazardous material scheduled for delivery to or from a Dallas Terminal shall transport those materials on any street or highway, or segment of a street or public highway designated as ''Prohibited Hazardous Materials Area.'']	0
11/01/94	Loop 335 [Amarillo] from Amarillo Blvd W to South City Limits	2
	TX Designated Routes	
11/01/94	10th St. [Texas City, Galveston County] from 4th St. to end	A
11/01/94	14th St. [Texas City, Galveston County] from Loop 197 to 5th Ave	A
11/01/94	2nd Ave. [Texas City, Galveston County] from Loop 197 to Sterling Chemical Co	A
11/01/94	4th Ave. [Texas City, Galveston County] from Loop 197 to 10th St	A
11/01/94	51st St./Seawolf Pkwy. [Galveston, Galveston County] from State 275 to end	A
11/01/94	5th Ave. [Texas City, Galveston County] from State 146 to 14th St	A
11/01/94	Airway Blvd [El Paso] from Interstate 10 to US 62/180	A
11/01/94	BI 40 [Amarillo] from West City Limits to FM 1719	A
11/01/94	BS 36 [Brenham] from State 36 to FM 577	A
11/01/94	BS 71 [La Grange] from West City Limits to FM 609	A
11/01/94	BU 281 [Edinburg] from US 281 N to FM 1925	A
11/01/94	BU 77 [Harlingen] from North City Limits to South City Limits	A
11/01/94	BU 77 [Harlingen] from US 77 N to Loop 499 N	A
11/01/94	Commerce St. [Harlingen] from BU 77 N to BU 77 S	A
11/01/94	Cordova Port of Entry [El Paso] from interstate 110 to Republic of Mexico	A
11/01/94	Delta Dr. [El Paso] from Trowbridge Dr. to Fonseca Dr	A
11/01/94	FM 106 [Harlingen] from East City Limits to BU 77	A
11/01/94	FM 1336 [Lufkin] from FM 324 to end	A
11/01/94	FM 1479 [Harlingen] from Southwest City Limits to US 77/83	A
11/01/94	FM 1719 [Amarillo] from North City Limits to BI 40	A
11/01/94	FM 1764 [Texas City, Galveston County] from Interstate 45 to State 146	A
11/01/94	FM 1925 [Edinburg] from US 281 to FM 2061	A
11/01/94	FM 1926 [Edinburg] from Southwest City Limits to State 107	A
11/01/94	FM 2004 [Texas City, Galveston County] from West City Limits to State 3	A
11/01/94	FM 2061 [Edinburg] from South City Limits to FM 1925	A
11/01/94	FM 2105 [San Angelo] from US 87 to US 277	A
11/01/94	FM 2128 [Edinburg] from East City Limits to US 281	A
11/01/94	FM 2994 [Harlingen] from West City Limits to FM 3195	A
11/01/94	FM 3195 [Harlingen] from US 83 to FM 2994	A
11/01/94	FM 324 [Lufkin] from South City Limits to Loop 287	A
11/01/94	FM 507 [Harlingen] from North City Limits to BU 77	A
11/01/94	FM 519 [Texas City, Galveston County] from West City Limits to Loop 197	A
11/01/94	FM 565 [Mount Belvieu] from Loop 207 to FM 3360	A
11/01/94	FM 577 [Brenham] from US 290 to BS 36.	
11/01/94	FM 609 [La Grange] from Southwest City Limits to BS 71	A
11/01/94	FM 659 [El Paso] from East City Limits to Loop 375 E	A
11/01/94	FM 715 [Midland] from Interstate 20 to BI 20	A
11/01/94	FM 801 [Harlingen] from Southwest City Limits to US 77/83	A
11/01/94	Fairgrounds Rd. [Midland] from BI 20 to Loop 250	A
11/01/94	Fonesca Dr. [El Paso] from Delta Dr. to Loop 375	A
11/01/94	Fred Wilson Rd. [El Paso] from Airport Rd. to US 54	A
11/01/94	Interstate 10 [Mount Belvieu] from East City Limits to West City Limits	A
11/01/94	Interstate 10 [Beaumont] from East City Limits to West City Limits	A
11/01/94	Interstate 10 [El Paso] from East City Limits to West City Limits	A
11/01/94	Interstate 10 [Houston] from Interstate 610 to East City Limits.	
11/01/94	Interstate 10/US 90 [Houston] from Interstate 610 W to West City Limits	A
11/01/94	Interstate 20 [Fort Worth] from East City Limits to West City Limits	A
11/01/94	Interstate 20 [Midland] from East City Limits to West City Limits	A
11/01/94	Interstate 20 [Dallas] from East City Limits to West City Limits	A
03/26/96	Interstate 27 [Lubbock] from North City Limits to South City Limits	A
11/01/94	Interstate 27 [Amarillo] from South City Limits to Interstate 40	A
11/01/94	Interstate 30 [Dallas] from East City Limits to Interstate 635	A
11/01/94	Interstate 30 [Fort Worth] from West City Limits to Interstate 820 W	A
11/01/94	Interstate 35 W [Fort Worth] from North City Limits to Interstate 820	A
11/01/94	Interstate 35 E [Dallas] from North City Limits to LP 12	A
11/01/94	Interstate 35 [New Braunfels] from North City Limits to South City Limits	A
11/01/94	Interstate 35 [Temple] from North City Limits to South City Limits	A

Designation date	Route description	Restrict design 0123456789i ABIMP
11/01/94	Interstate 35 W [Fort Worth] from South City Limits to Interstate 20	A
11/01/94	Interstate 35 E [Dallas] from South City Limits to Interstate 20	A
11/01/94	Interstate 40 [Amarillo] from East City Limits to West City Limits	A
11/01/94	Interstate 45 [Houston] from North City Limits to Interstate 610 N	A
11/01/94	Interstate 45 [Texas City, Galveston County] from North City Limits to South City Limits	A
11/01/94	Interstate 45 [Galveston, Galveston County] from Northwest City Limits to State 87	A
11/01/94	Interstate 45 [Dallas] from South City Limits to Interstate 20	A
11/01/94	Interstate 45 [Houston] from South City Limits to Interstate 610 S	A
11/01/94	Interstate 110 [EL Paso] from Cordova Port-of-Entry to Interstate 10	A
11/01/94	Interstate 610 [Houston (entire highway)]	A
11/01/94	Interstate 635 [Dallas] from Interstate 35 E to Interstate 20	A
11/01/94	Interstate 820 [Forth Worth (entire highway)]	A
11/01/94	Loop 12 [Dallas] from Spur 408 to Interstate 35 E	A
11/01/94	Loop 197 [Texas City, Galveston County] from State 46 to 2nd Ave	A
11/01/94	Loop 207 [Mont Belvieu] from State 146 N to State 146 S	A
11/01/94	Loop 224 [Nacogdoches (entire highway)]	A
11/01/94	Loop 250 [Midland] from Interstate 20 [North, and East] to Fairgrounds Rd	A
11/01/94	Loop 287 [Lufkin (entire highway)]	A
03/28/96	Loop 289 [Lubbock] from US 62/82 W [North, East, South, & West] to Interstate 27 S	A
11/01/94	Loop 304 [Crockett (entire highway)]	A
11/01/94	Loop 306 [San Agelo] from US 277 [South, West, and North] to US 67 S	A
11/01/94	Loop 335 [Amarillo] from Dumas Dr. [US 27/US 287] to East City Limits	A
11/01/94	Loop 335 [Amarillo] from Dumas Dr. [(US 87/US 287)] to West City Limits	A
11/01/94	Loop 335 [Amarillo] from NE 24th Ave. to Interstate 40	A
11/01/94	Loop 337 [New Braunfels] from Interstate 35 N to Interstate 35 S	A
11/01/94	Loop 363 [Temple] from Interstate 35 N [East, South, West, & North] to State 36 W	A
11/01/94	Loop 375 [El Paso] from Railroad Dr. [East, South, West, & North] to US 54 S	A
11/01/94	Loop 499 [Harlingen] from BU 77 N [East & South] to US 77/83	A
11/01/94	Loop 500 [Center] from State 7 W to State 7E	A
11/01/94	Marshall Rd. [El Paso] from Fred Wilson Rd. to Railroad Dr.	A
11/01/94	Railroad Dr. [El Paso] from North City Limits to Fred Wilson Rd	A
11/01/94	Rio Hondo Rd. [Harlingen] from FM 507 to Academy	A
11/01/94	State 3 [Texas City, Galveston County] from Loop 197 to FM 1765	A
11/01/94	State 3 [Texas City, Galveston County] from Northwest City Limits to FM 2004	A
11/01/94	State 3 [Houston] from Southeast City Limits to Interstate 45	A
11/01/94	State 7 [Nacogdoches] from East City Limits to Loop 224 E	A
11/01/94	State 7 [Crockett] from East City Limits to Loop 304 E	A
11/01/94	State 7/21 [Crockett] from West City Limits to Loop 304 W	A
11/01/94	State 7 [Nacogdoches] from West City Limits to US 59	A
11/01/94	State 19 [Crockett] from South City Limits to Loop 304 S	A
11/01/94	State 21 [Nacogdoches] from East City Limits to Loop 224 E	A
11/01/94	State 21 [Crockett] from Northeast City Limits to Loop 304 NE	A
11/01/94	State 21 [Nacogdoches] from West City Limits to US 59	A
11/01/94	State 36 [Brenham] from BS36 N to US 290	A
11/01/94	State 36 [Temple] from West City Limits to State 95	A
11/01/94	State 53 [Temple] from East City Limits to Loop 363 E	A
11/01/94	State 71 [La Grange] from East City Limits to West City Limits	A
11/01/94	State 87 [Center] from West City Limits to US 96	A
11/01/94	State 94 [Lufkin] from West City Limits to Loop 287W	A
11/01/94	State 95 [Temple] from South City Limits to State 36/Loop 363	A
11/01/94	State 103 [Lufkin] from East City Limits to Loop 287 US 59/69	A
11/01/94	State 103 [Lufkin] from West City Limits to Loop 287 W	A
11/01/94	State 105 [Beaumont, Beaumont District] from West City Limits to US 69/96/287	A
11/01/94	State 107 [Edinburg] from East City Limits to US 281	A
11/01/94	State 107 [Edinburg] from West City Limits to FM 2061	A
03/28/96	State 114 [Lubbock] from Northeast City Limits to Loop 289 NE	A
03/28/96	State 114 [Lubbock] from West City Limits to Loop 289 W	A
11/01/94	State 146 [Mont Belvieu] from North City Limits to Interstate 10	A
11/01/94	State 146 [Texas City, Galveston County] from North City Limits to South City Limits	A
11/01/94	State 199 [Fort Worth] from Northwest City Limits to Interstate 820	A
11/01/94	State 225 [Houston] from East City Limits to Interstate 610	A
11/01/94	State 275 [Galveston, Galveston County] from Interstate 45 to 9th St.	A
11/01/94	South Zargosa Rd. [El Paso] from Ysleta Port of Entry to Loop 375 S	A
11/01/94	Spur 408 [Dallas] from Interstate 20 to Loop 12	A
11/01/94	Spur 54 [Harlingen] from US 77 to US 83	A
11/01/94	Trowbridge Dr. [El Paso] from Interstate 10 to Delta Dr.	A
11/01/94	US 54 [El Paso] from New Mexico to Loop 375 S	A
11/01/94	US 59 [Houston] from North City Limits to Interstate 610 N	A
11/01/94	US 59 [Lufkin] from North City Limits to South City Limits	A
11/01/94	US 59 [Nacogdoches] from North City Limits to South City Limits	A
11/01/94	US 59 [Houston] from West City Limits to Interstate 610 W	A

Designation date	Route description	Restrict design 0123456789i ABIMP
11/01/94	US 60 [Amarillo] from East City Limits to Loop 335 E	A
11/01/94	US 62/180 [El Paso] from East City Limits to Airway Blvd.	A
03/28/96	US 62/82 [Lubbock] from Northeast City Limits to Loop 289 NE	A
03/28/96	US 62/82 [Lubbock] from Southwest City Limits to Loop 289 SW	A
11/01/94	US 67 [San Angelo] from Southwest City Limits to Loop 306 W	A
11/01/94	US 69/96/287 [Beaumont] from North City Limits to South City Limits	A
11/01/94	US 69 [Lufkin] from Northwest City Limits to Southeast City Limits	A
11/01/94	US 75 [Dallas] from North City Limits to Interstate 635 N	A
11/01/94	US 77 [La Grange] from North City Limits to State 71	A
11/01/94	US 77 [Harlingen] from North City Limits to South City Limits	A
11/01/94	US 80 [Dallas] from East City Limits to Interstate 635	A
11/01/94	US 81/387 [Fort Worth] from North City Limits to Interstate 35 W	A
11/01/94	US 83 [Harlingen] from South City Limits to West City Limits	A
03/28/96	US 84 [Lubbock] from Northwest City Limits to Loop 289 N	A
03/28/96	US 84 [Lubbock] from Southeast City Limits to Loop 289 S	A
11/01/94	US 87/287 [Amarillo] from Loop 335 to North City Limits	A
11/01/94	US 87 [San Angelo] from North City Limits to FM 2105	A
11/01/94	US 90 [Beaumont] from West City Limits to Interstate 10	A
11/01/94	US 96 [Center] from North City Limits to South City Limits	A
11/01/94	US 175 [Dallas] from South City Limits to Interstate 20	A
11/01/94	US 190 [Temple] from South City Limits to Interstate 35	A
11/01/94	US 277 [San Angelo] from FM 2105 to Loop 306 N	A
11/01/94	US 281 [Edinburg] from North City Limits to South City Limits	A
11/01/94	US 287 [Amarillo] from East City Limits to Interstate 40	A
11/01/94	US 287 [Crockett] from East City Limits to Loop 304 E	A
11/01/94	US 287 [Crockett] from North City Limits to Loop 304 N	A
11/01/94	US 290 [Brenham] from East City Limits to West City Limits	A
11/01/94	US 290 [Houston] from Northwest City Limits to Interstate 610	A
11/01/94	US 377 [Fort Worth] from West City Limits to Interstate 20	A

State: Utah

Agency: Utah DOT
POC: Mr. Norman Lindgren
Address: 4501 South 2700 West Salt Lake City, UT 84119–5998
Phone: (801) 965–4325
Fax:
FHWA: UT Field Office
FHWA POC: Mr. Clair Hendrickson
Address: 2520 W. 4700 South Suite 9A Salt Lake City, UT 84118–1847
Phone: (801) 963–0078 x 238
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	UT Designated Routes	
07/01/97	All Interstates [The Utah Department of Transportation states that all Interstate routes in the State are designated NRHM routes.].	A
07/01/97	Interstate 15 from Idaho to Interstate 84	P
07/01/97	Interstate 80 from Interstate 84 to Wyoming	P
07/01/97	Interstate 84 from Interstate 15 to Interstate 80 [Note: The Perry Port of Entry on I–15/I–84 is a designated safe haven for radioactive materials in transit.].	P

State: Vermont

Agency: VT Emergency Mgt. Div.
POC: Mr. George Lowe
Address: Department of Public Safety 103 South Main Street Waterbury, VT 05671
Phone: (802)–244–8721
Fax:
FHWA: VT Field Office
FHWA POC: Mr. Chris Jolly
Address: Federal Building, 87 State St., Montpelier, VT 05602
Phone: (802) 828–4433
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	VT Designated Routes	
	* * * No Routes Designated as of 07/17/97 * * *.	

State: Virginia

Agency: VA DOT
POC: Perry Cogburn
Address: 1401 East Broad St., Richmond, VA 23219
Phone: (804)–786–6824
Fax:
FHWA: VA Field Office
FHWA POC: Mr. Scott Carson
Address: 1504 Sanata Rosa Rd., Suite 205, Richmond, VA 23229
Phone: (804) 281–5137
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	VA Restricted Routes	
05/25/85	Airport Tunnel [City of Roanoke] [Detours: Airport Rd—Route 118; Hershberger Rd—Route 101; Williamson Rd.—Route 11; Peter Creek Road—Route 117.].	0
05/25/85	Elizabeth River Tunnel [Downtown] [Phone: 804–494–2424. Classes 1.1, 1.2, 1.3, 2.3, 4.3, and 6.1 are PROHIBITED. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	1, 4, 6, A
05/25/85	Elizabeth River Tunnel [Midtown] [Phone: 804–494–2424. Classes 1.1, 1.2, 1.3, 2.3, 4.3, and 6.1 are PROHIBITED. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	1, 4, 6, A
05/25/85	Hampton Roads Bridge—Tunnel [Phone: 804–727–4832. Classes 1.1, 1.2, 1.3, 2.3, 4.3, and 6.1 are PROHIBITED. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	1, 4, 6, A
05/25/85	Monitor-Merrimac Memorial [Bridge/Tunnel] [Phone: 804–247–2123. Classes 1.1, 1.2, 1.3, 2.3, 4.3, and 6.1 are PROHIBITED. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	1, 4, 6, A
	VA Designated Routes	
05/25/85	Big Walker Mountain Tunnel [Phone: 703–228–5571. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	A
05/25/85	Chesapeake Bay Bridge—Tunnel [Phone 804–331–2960. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	A
05/25/85	East River Mountain Tunnel [Phone: 703–928–1994. Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	A
07/31/95	Interstate 495 [* *Restricted to right lanes only * *]	A
05/25/85	Interstate 664 [Bridge-Tunnel] [Hazmat shipper MUST abide by rules & regulations outlined in VA DOT's ''Hazardous Materials Transportation Rules and Regulations at Bridge-Tunnel Facilities''. This manual available from: State Traffic Engineer, VDOT, 1401 E. Broad St., Richmond 23219.].	A

State: Washington

Agency: No Response
POC:
Address:
Phone:
Fax:
FHWA: WA Field Office

FHWA POC: Mr. Dennis Eckhart
Address: Evergreen Plaza, Suite 501, 711 S. Capitol Way, Olympia, WA 98501
Phone: (206) 753–9552
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
WA Designated Routes		
	* * * No Routes Designated as of 10/09/96 * * *.	

State: West Virginia

Agency: No Response
POC:
Address:
Phone:
Fax:
FHWA: WV Field Office
FHWA POC: Mr. Jeff S. Blanton
Address: 700 Washington St. E, Suite 200, Charleston, WV 25301
Phone: (304) 347–5929
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
WV Designated Routes		
	* * *No Routes Designated as of 7/18/97* * *.	

State: WIsconsin

Agency: Wisconsin DOT
POC: Charles H. Thompson
Address: Office of the Secretary, P.O. Box 7910, Madison, WI 53707–7910
Phone: (608)–266–7320
Fax:
FHWA: WI Field Office
FHWA POC: Mr. William Bremer
Address: Highpoint Office Park, 567 D'Onofrio Dr., Madison, WI 53719–2814
Phone: (608) 829–7519
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
WI Designated Routes		
09/17/97	City of Cheyenne [Restrictions as per ordinance]	A

State: Wyoming

Agency: Wy Highway Patrol
POC: Capt L.S. Gerard
Address: P.O. Box 1708, Cheyenne, WY 82003–1708
Phone: (307)–777–4301
Fax:
FHWA: WY Field Office
FHWA POC: Mr. William Besselievre
Address: 1916 Evans Ave., Cheyenne, WY 82001–3764
Phone: (307) 772–2004 x42
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	WY Restricted Routes	
04/12/94	City of Cheyenne [City Ordinance: Hazardous materials and radioactive materials may not be transported by motor vehicle within the City of Cheyenne except for the purpose of making pickups and/or deliveries within the City, unless such routing is consistent with 49 CFR 397.7 or 49 CFR 177.825. Motor vehicles carrying hazardous and/or radioactive materials which are making local pickups and/or deliveries must be operated over the safest and most direct route to and from the origination and destination point. Such routes shall not pass through residential areas unless there is no practical alternative.].	0,7

State: Puerto Rico

Agency: DOT & Public Works
POC: Dr. Carlos I. Pesquera
Address: P.O. Box 41269, Minillas Station, Santurce, PR 00940
Phone: (809)–728–7785
Fax:
FHWA: PR Field Office
FHWA POC: Mr. Emigdio Isern
Address: Degetau Fed. Bldg. & US Court, Carlos Chardon St., Room 329, Hato Rey, PR 00918–2288
Phone: (809) 766–5600
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	PR Designated Routes	
	No Routes Designated as of 11/30/94.	

State: Northern Mariana Islands

Agency: None
POC:
Address:
Phone:
Fax:
FHWA: MP Field Office
FHWA POC:
Address:
Phone:
Fax:

Designation date	Route description	Restrict design 0123456789i ABIMP
	MP Designated Routes	
	No Routes Designated as of 11/29/94.	

[FR Doc. 98–14930 Filed 6–8–98; 8:45 am]
BILLING CODE 4910–22–M

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Petition for a Waiver of Compliance

In accordance with 49 CFR Sections 211.9 and 211.41, notice is hereby given that the Federal Railroad Administration (FRA) has received a request for a waiver of compliance with certain requirements of Federal railroad safety regulations. The petition is described below, including the party seeking relief, the regulatory provisions involved, the nature of the relief being requested and the petitioner's arguments in favor of relief.

Interested parties are invited to participate in this proceeding by submitting written views, data, or comments. FRA does not anticipate scheduling a public hearing in connection with this proceeding since the facts do not appear to warrant a hearing. If any interested party desires an opportunity for oral comment, they should notify FRA, in writing, before the end of the comment period and specify the basis for their request.

All communications concerning these proceedings should identify the appropriate docket number (e.g., Waiver Petition Docket No. RSEQ–98–1) and

must be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Nassif Building, 400 Seventh Street, S.W., Washington, D.C. 20590. Communications within 30 days of the date of publication of this notice will be considered by FRA before final action is taken. Comments received after that date will be considered as far as practicable. All written communications concerning these proceedings are available for examination during regular business hours (9 a.m.–5 p.m.) in FRA's Docket Room, Room 7051 at 1120 Vermont Avenue, N.W., Washington, D.C. 20590. The waiver petition is as follows.

Railroad Museum of New England/ Naugatuck Railroad (NAUG) FRA Waiver Petition Docket No. RSEQ–98–1

The NAUG seeks a waiver of compliance with Part 240 of Title 49, Code of Federal Regulations, ''Qualifications for Locomotive Engineers'' (49 CFR Part 240). NAUG's petition states that in keeping with the Museum's educational mission, NAUG's *Engineer for an hour program* is designed to give participants the experience of operating a locomotive (under controlled conditions) and to learn how a diesel-electric locomotive works. Motive power would be drawn from the Museum's pool of three road switcher units, a 1950 Alco RS–3, a 1965 GE U25B and a 1957 EMD GP–9.

The operating zone would be between MP 12 and MP 16.3 on the Northern end of the Naugatuck Railroad. This section of the railroad contains no at grade crossings, no turnouts and no bridges. The regular Naugatuck excursion trains operate between MP 1 and MP 11, thus allowing a one mile separation between operating zones. The base of operations would be located at the East Litchfield station.

Participants will reserve a session in advance and must be 21 years or older. Additionally, the participant must provide a copy of a recent physical exam or a doctor's letter, sign a release of liability, wear appropriate footwear, clothing and eye protection and must, in the judgement of the Museum's representatives, be able to operate the locomotive safely.

Each participant will attend a one hour classroom session covering railroad safety and instruction on the basic theory of diesel electric locomotives and air brakes. Printed instructional material will be sent to each participant in advance. At all times, each participant will be under the supervision of Naugatuck Railroad's Supervisor of Locomotive Engineers.

The proposed dates for this program are various weekends and holidays between July 1 and November 30, 1998 and 1999.

Issued in Washington D.C. on June 2, 1998.

Grady C. Cothen, Jr.,

Deputy Associate Administrator for Safety Standards and Program Development.

[FR Doc. 98–15185 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–06–P

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Petition for Waivers of Compliance

In accordance with 49 CFR Sections 211.9 and 211.41, notice is hereby given that the Federal Railroad Administration (FRA) has received a request for a waiver of compliance with certain requirements of the Federal safety laws and regulations. The petition is described below, including the regulatory provisions involved, the nature of the relief being requested and the petitioner's arguments in favor of relief.

Union Pacific Railroad Company

FRA Docket Number H–98–3

The Union Pacific Railroad Company (UP) seeks a temporary waiver of compliance with certain provisions of the Locomotive Safety Standards (49 CFR 229) for approximately 30 trains to be determined prior to commencement of the test. UP is seeking relief, for a six month test period, from the requirements of Section 229.21 that requires each locomotive in use to be inspected once each calendar day, and Section 229.9(b)(1), which provides that if a locomotive develops a non-complying condition enroute, it may continue to utilize its propelling motors only until the next calendar day inspection if the calendar day inspection is earlier than the nearest forward repair point.

Under the purposed waiver the UP would have mechanical department employees perform locomotive inspections prior to each trip, with the next inspection not being due until the locomotive reaches its final destination. If a locomotive develops a non-complying condition enroute and all provisions of 229.9 are otherwise met the locomotive may continue to the next point to where repairs can be made. Locomotives not receiving an inspection by mechanical department employees will continue to require a calendar day inspection.

Interested parties are invited to participate in these proceedings by submitting written reviews, data, or comments. FRA does not anticipate scheduling a public hearing in connection with these proceedings since the facts do not appear to warrant a hearing. If any interested party desires an opportunity for oral comment, they should notify FRA, in writing, before the end of the comment period and specify the basis for their request.

All communications concerning these proceedings should identify the appropriate docket number (e.g., Waiver Petition Docket Number H–98–3,) and must be submitted in triplicate to the Docket Clerk, Chief Counsel, Federal Railroad Administration, Nassif Building, 400 Seventh Street, SW, Mail Stop 25, Washington, DC 20590. Communications received within 45 days from the publication of this notice will be considered by FRA before final action is taken. Comments received after that date will be considered as far as practicable.

All written communications concerning these proceedings are available for examination during regular business hours (9 a.m.–5 p.m.) at FRA's temporary relocation 1120 Vermont Ave. NW, room 7051, Washington, DC 20005.

Issued in Washington, D.C. on June 3, 1998.

Grady C. Cothen, Jr.,

Deputy Associate Administrator for Safety Standards and Program Development.

[FR Doc. 98–15186 Filed 6–8–98; 8:45 am]

BILLING CODE 4910–06–P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900–0029]

Proposed Information Collection Activity: Proposed Collection; Comment Request

AGENCY: Veterans Benefits Administration, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: The Veterans Benefits Administration (VBA), Department of Veterans Affairs, is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed revision of a currently approved collection, and allow 60 days for public comment in response to the notice. This

notice solicits comments on the information needed from a private sector sales broker to submit an offer to VA on behalf of a prospective purchaser of a VA-acquired property.

DATES: Written comments and recommendations on the proposed collection of information should be received on or before August 10, 1998.

ADDRESSES: Submit written comments on the collection of information to Nancy J. Kessinger, Veterans Benefits Administration (20S52), Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420. Please refer to ''OMB Control No. 2900–0029'' in any correspondence.

FOR FURTHER INFORMATION CONTACT: Nancy J. Kessinger at (202) 273–5079 or FAX (202) 275–5146.

SUPPLEMENTARY INFORMATION: Under the PRA of 1995 (Pub. L. 104–13; 44 U.S.C., 3501–3520), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, VBA invites comments on: (1) whether the proposed collection of information is necessary for the proper performance of VBA's functions, including whether the information will have practical utility; (2) the accuracy of VBA's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or the use of other forms of information technology.

Titles and Form Numbers

a. Offer to Purchase and Contract of Sale, VA For 26–6705.

b. Credit Statement of Prospective Purchaser, VA Form 26–6705b

c. Addendum to VA Form 26–6705 (Virginia), VA Form 26–6705d.

OMB Control Number: 2900–0029.

Type of Review: Revision of a currently approved collection.

Abstract:

a. VA Form 26–6705 is used by the private sector sales broker to submit an offer to the VA on behalf of a prospective purchaser of a VA-acquired property. The form will be prepared for each proposed contract submitted to the VA. If the VA accepts the offer to purchase, it then becomes a contract of sale. The form defines the terms of sale, provides the prospective purchaser with a receipt for his/her earnest money deposit, eliminates the need for separate transmittal of a purchase offer and develops the contract without such intermediate processing steps and furnishes evidence of the station decision with respect to the acceptance of the contract as tendered. Without this information, a determination of the best offer for a property cannot be made.

b. VA Form 26–6705b is used as a credit application to determine the creditworthiness of a prospective purchaser in those instances when the prospective purchaser seeks VA vendee financing, along with VA Form 26–6705. In such sales, the offer to purchase will not be accepted until the purchaser's income and credit history have been verified and a loan analysis has been completed, indicating loan approval. Without this information, the creditworthiness of a prospective purchaser cannot be determined and the offer to purchase cannot be accepted.

c. VA Form 26–6705d is an addendum to VA Form 26–6705 for use in Virginia. It includes requirements of State law which must be acknowledged by the purchaser at or prior to closing.

Affected Public: Individuals or households.

Estimated Annual Burden: 57,917 hours.

a. VA Form 26–7605—35,000 hours.

b. VA Form 26–6705b—22,500 hours.

c. VA Form 26–6705d—417 hours.

Estimated Average Burden Per Respondent: 20 minutes (average).

a. VA Form 26–7605—20 minutes.

b. VA Form 26–6705b—20 minutes.

c. VA Form 26–6705d—5 minutes.

Frequency of Response: Generally one-time.

Estimated Number of Total Respondents: 172,500.

a. VA Form 26–7605—100,000.

b. VA Form 26–6705b—67,500.

c. VA Form 26–6705d—5,000.

Dated: March 31, 1998.

By direction of the Secretary:

Donald L. Neilson,

Director, Information Management Service.

[FR Doc. 98–15232 Filed 6–8–98; 8:45 am]

BILLING CODE 8320–01–M

Corrections

Federal Register

Vol. 63, No. 110

Tuesday, June 9, 1998

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Proposed Information Collection: Comment Request

Correction

In notice document 98–11334 appearing on page 23422, in the issue of Wednesday, April 29, 1998, make the following correction:

On page 23422, in the third column, under the heading ''**II. Current Action**'', in the 16th line, ''50'' should read ''500''.

BILLING CODE 1505-01-D

DEPARTMENT OF ENERGY

Office of Arms Control and Nonproliferation

Proposed Subsequent Arrangement Concerning Reciprocal Arrangements for Exchanges of Information and Visits Under the Agreement for Cooperation for the Peaceful Uses of Nuclear Energy Between the Government of the United States and the Government of the People's Republic of China

Correction

In notice document 98–14523 beginning on page 30483 in the issue of Thursday, June 4, 1998, make the following correction:

On page 30484, in the first column, the two signatures in the Memorandum of Understanding were inadvertently switched. The text should read as set forth below:

For the Government of the United States of America:

Robert J. Einhorn.

For the Government of the People's Republic of China:

Zheng Lizhong.

BILLING CODE 1505-01-D

DEPARTMENT OF ENERGY

Office of Energy Research

Energy Research Financial Assistance Program Notice 98–17; Innovations in Magnetic Fusion Energy Diagnostic Systems

Correction

In notice document 98–13243 beginning on page 27571, in the issue of Tuesday, May 19, 1998, make the following correction:

On page 27573, in the first column, under the heading ''**References for Background Information**'', in the sixth and seventh lines the web site should read ''http://wwwofe.er.doe.gov/more__html/pdffiles/diag.pdf''.

BILLING CODE 1505-01-D

ENVIRONMENTAL PROTECTION AGENCY

[OPPTS–140270; FRL–5791–7]

Access to Confidential Business Information by Lockheed Martin Inc.

Correction

In notice document 98–14591, appearing on page 29992, in the issue of Tuesday, June 2, 1998, in the **DATES** section, ''[insert date 5 working days after date of publication in the **Federal Register**]'' should read ''June 9, 1998''.

BILLING CODE 1505-01-D

federal register

Tuesday
June 9, 1998

Part II

Department of Education

Safe and Drug-Free Schools and Communities National Programs—Grants to Institutions of Higher Education (Validation Competition); Notice

DEPARTMENT OF EDUCATION

Safe and Drug-Free Schools and Communities National Programs—Grants to Institutions of Higher Education (Validation Competition)

AGENCY: Department of Education.

ACTION: Notice of Proposed Priorities and Selection Criteria for Fiscal Year 1998.

SUMMARY: The Secretary announces proposed priorities and selection criteria for fiscal year (FY) 1998 under the Safe and Drug-Free Schools and Communities (SDFSC) National Programs Grants to Institutions of Higher Education (IHEs) Validation Competition. The Secretary takes this action to focus Federal financial assistance on an identified national need. The priorities are intended to increase knowledge about effective programs by validating and disseminating model programs and strategies to promote the safety of students attending IHEs by preventing violent behavior and the illegal use of alcohol and other drugs by college students.

INVITATION TO COMMENT: Interested persons are invited to submit comments and recommendations regarding these proposed priorities. All comments submitted in response to this notice will be available for public inspection, during and after the comment period, in Room 604, Portals Buildings, 1250 Maryland Avenue, SW, Washington, DC, between the hours of 8:30 a.m. and 4:00 p.m., Eastern time, Monday through Friday of each week except Federal holidays.

On request the Department supplies an appropriate aid, such as a reader or print magnifier, to an individual with a disability that needs assistance to review the comments. An individual with a disability who wants to schedule an appointment for this type of aid may call (202) 205–8113 or (202) 260–9895. An individual who uses a TDD may call the Federal Information Relay Service (FIRS) at 1–800–877–8339, between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

DATES: Comments must be received by the Department on or before July 9, 1998.

ADDRESSES: All comments concerning these proposed priorities should be addressed to Tina McCrary, U.S. Department of Education, 600 Independence Avenue, Portals Building—Room 604, Washington, DC 20202–6123. Comments may also be sent through the Internet: comments@ed.gov.

You must include the term ''Alcohol, Other Drug, Violence Prevention for IHEs'' in the subject line of your electronic message.

FOR FURTHER INFORMATION CONTACT: Tina McCrary, (202) 260–3954. Individuals who use a telecommunication device for the deaf (TDD) may call the Federal Information Relay Service at 1–800–877–8339 between 8:00 a.m. and 8:00 p.m., Eastern time, Monday through Friday. Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed above.

Note: This notice of proposed priorities does not solicit applications. A notice inviting applications under this competition will be published in the **Federal Register** concurrent with or following the publication of the notice of final priorities.

Priorities

Under 34 CFR 75.105(c)(3) and the Safe and Drug-Free Schools and Communities Act of 1994, the Secretary gives an absolute preference to applications that meet one or all of the following priorities. The Secretary funds under this competition only applications that meet one or all of these absolute priorities:

Absolute Priority 1

Correcting misperceptions of student alcohol and other drug use among a large or influential subpopulation of students attending institutions of higher education.

Applicants must:

(1) Identify one large or influential student subpopulation (e.g. student athletes, members of fraternities and sororities) who will receive the intervention;

(2) Justify the selection of the subpopulation, and design the intervention, based on an assessment of objective data (such as needs assessments, student use surveys, assessment of students' dispositions toward drug use);

(3) Propose activities designed to correct misperceptions of this subpopulation about levels of student campus alcohol and drug use, student alcohol and drug use norms, and the consequences of student alcohol and drug use;

(4) Use a campus and community coalition to plan and implement the project;

(5) Develop measurable goals and objectives linked to the identified needs;

(6) Use a qualified evaluator to implement a rigorous evaluation of the project using outcomes-based (summative) performance indicators in addition to process (formative) measures, that document strategies used and measure the effectiveness of the program or strategy in reducing student drug use and violent behavior, and utilize a reference group or comparison group at the grantee's own or similar campus;

(7) Share information about their projects with Department of Education staff or their agents in order to assist grantees in the development of an evaluation strategy and to coordinate cross project site comparisons;

(8) Demonstrate ability to start the project within 60 days after receiving Federal funding in order to maximize the time available to show impact or prepare an article for pubilcation within the grant period; and

(9) Provide statistics and information on crimes occurring on campus, especially liquor law violations, drug abuse violations, and weapons possession; and, at the request of the Secretary, coordinate with any report being prepared under section 204(a)(4)(B) of the Student Right-to-Know and Campus Security Act on policies, procedures and practices which have proven effective in the reduction of campus crime.

Absolute Priority 2

Assess the impact of an existing or new consortium (such as coalitions and other partnerships at the community, State, or regional levels) on limiting illegal alcohol and other drug use, and preventing intoxication and violence.

Applicants must:

(1) Establish a new, or expand an existing consortium at the community, State, or regional level by working together in partnership with key stakeholders to share information and to impact campus and public policy;

(2) Demonstrate evidence of commitment of consortium members and explain how the IHE will create or sustain opportunities for members to meet and work together on a regular basis;

(3) Describe proposed consortium activities and justify how such activities will bring about improvements in drug prevention programs and policies affecting AOD use decisions, and violence on campus;

(4) Provide criteria for membership, and how any potential expansion of membership would be carried out if additional individuals or organizations seek to join the consortium;

(5) Develop measurable goals and objectives for consortia linked to identified needs;

(6) Use prevention approaches that research or evaluation has shown to be effective in preventing or reducing violent behavior or the illegal use of alcohol and other drugs;

(7) Use a qualified evaluator to design and implement a rigorous evaluation of the project using outcomes-based (summative) performance indicators in addition to process (formative) measures that documents strategies used and measures the effectiveness of the consortium;

(8) Share information about their projects with Department of Education staff or their agents in order to assist grantees in the development of an evaluation strategy and to coordinate cross project sites;

(9) Design a program based on assessment of objective data (such as needs assessments, student use surveys, assessments of students' dispositions toward drug use, environmental assessments);

(10) Demonstrate the ability to start the project within 60 days after receiving Federal funding in order to maximize the time available to show impact within the grant period; and

(11) At the request of the Secretary, coordinate with any report being prepared under section 204(a)(4)(B) of the Student Right-to-Know and Campus Security Act on policies, procedures and practices which have proven effective in the reduction of campus crime.

Absolute Priority 3

Disseminate knowledge of existing model programs, new prevention theories, or new application of theories, theoretical models, or conceptual approaches (theories) to alcohol and other drug or violence prevention or both.

Applicants must:

(1) If proposing to disseminate knowledge on an existing model program, (a) document how the program was proven effective by explaining the needs assessment, implementation, evaluation, and outcomes of the program; (b) document how the model program effectively changed the campus and/or community; (c) explain how the model program advanced prevention thinking and activities; (d) discuss the type of institution(s) and student demographics to which the model program would be most replicable or adaptable; and (e) provide a timeline for the submission of the draft and final papers with appropriate attachments.

(2) If proposing a new theory or approach, (a) provide evidence that the theory/approach is based on an assessment of objective data (such as needs assessments, student use surveys, assessment of student dispositions toward drug use, statistics and information on crimes occurring on campus(es); (b) document how the theory/approach can be applied effectively to change the campus and/or community; (c) explain how the theory/approach will advance prevention thinking and activities; (d) discuss the type of institution(s) and student demographics to which the theory would be most replicable or adaptable; and (e) provide a timeline for the submission of the draft and final papers with appropriate attachments;

(3) Provide a letter of support from the applicant's direct supervisor and demonstrate the ability to start the project within 30 days after receiving Federal funding in order to maximize the time available to prepare an article for publication within the grant period; and

(4) At the request of the Secretary, coordinate with any report being prepared under section 204(a)(4)(B) of the Student Right-to-Know and Campus Security Act on policies, procedures and practices which have proven effective in the reduction of campus crime.

Selection Criteria for Absolute Priority 1 and Absolute Priority 2

(a)(1) The Secretary uses the following selection criteria to evaluate applications for new grants under this competition.

(2) The maximum score for all of these criteria is 100 points.

(3) The maximum score for each criterion or factor under that criterion is indicated in parentheses.

(b) *The criteria.*

(1) *Need for project.* (10 points)

(i) The Secretary considers the need for the proposed project.

(ii) In determining the need for the proposed project, the Secretary considers the following factors:

(A) The magnitude or severity of the problem to be addressed by the proposed project. (5 points)

(B) The extent to which specific gaps or weaknesses in services, infrastructure, or opportunities have been identified and will be addressed by the proposed project, including the nature and magnitude of those gaps or weaknesses. (5 points)

(2) *Significance.* (10 points)

(i) The Secretary considers the significance of the proposed project.

(ii) In determining the significance of the proposed project, the Secretary considers the following factors:

(A) The potential contribution of the proposed project to the development and advancement of theory, knowledge, and practices in the field of study. (5 points)

(B) The potential replicability of the proposed project or strategies, including, as appropriate, the potential for implementation in a variety of settings. (5 points)

(3) *Quality of the project design.* (20 points)

(i) The Secretary considers the quality of the design of the proposed project.

(ii) In determining the quality of the design of the proposed project, the Secretary considers the following factors:

(A) The extent to which the goals, objectives, and outcomes to be achieved by the proposed project are clearly specified and measurable. (5 points)

(B) The extent to which there is a conceptual framework underlying the proposed research or demonstration activities and the quality of that framework. (10 points)

(C) The extent to which the design of the proposed project reflects up-to-date knowledge from research and effective practice. (5 points)

(4) *Quality of the project personnel.* (10 points)

(i) The Secretary considers the quality of the personnel who will carry out the proposed project.

(ii) In determining the quality of project personnel, the Secretary considers the following factors:

(A) The extent to which the applicant encourages applications for employment from persons who are members of groups that have traditionally been under represented based on race, color, national origin, gender, age, or disability. (2 points)

(B) The qualifications, including relevant training and experience, of key project personnel. (8 points)

(5) *Adequacy of resource.* (10 points)

(i) The Secretary considers the adequacy of resources for the proposed project.

(ii) In determining the adequacy of resources for the proposed project, the Secretary considers the following factors:

(A) The relevance and demonstrated commitment of each partner in the proposed project to the implementation and success of the project. (5 points)

(B) The extent to which the costs are reasonable in relation to the number of persons to be served and to the anticipated results and benefits. (5 points)

(6) *Quality of the management plan.* (15 points)

(i) The Secretary considers the quality of the management plan for the proposed project.

(ii) In determining the quality of the management plan for the proposed project, the Secretary considers the following factors:

(A) The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, timelines, and milestones for accomplishing project tasks. (5 points)

(B) The adequacy of mechanisms for ensuring high-quality products and services from the proposed project. (5 points)

(C) How the applicant will ensure that a diversity of perspectives are brought to bear in the operation of the proposed project, including those of students, faculty, parents, the business community, a variety of disciplinary and professional fields, recipients or beneficiaries of services, or others, as appropriate. (5 points)

(7) *Quality of the project evaluation.* (25 points)

(i) The Secretary considers the quality of the evaluation to be conducted of the proposed project.

(ii) In determining the quality of the evaluation, the Secretary considers the following factors:

(A) The extent to which the methods of evaluation are thorough, feasible, and appropriate to the goals, objectives and outcomes of the proposed project. (10 points)

(B) The extent to which the methods of evaluation will provide performance feedback and permit periodic assessment of progress toward achieving intended outcomes. (5 points)

(C) The extent to which the methods of evaluation include the use of objective performance measures that are clearly related to the intended outcomes of the project and will produce quantitative and qualitative data to the extent possible. (10 points)

Selection Criteria for Absolute Priority 3

(1) *Need for project.* (10 points)

(i) The Secretary considers the need for the proposed project.

(ii) In determining the need for the proposed project, the Secretary considers the following factors:

(A) The magnitude or severity of the problem to be addressed by the proposed project. (5 points)

(B) The extent to which specific gaps or weaknesses in services, infrastructure, or opportunities have been identified and will be addressed by the proposed project, including the nature and magnitude of those gaps or weaknesses. (5 points)

(2) *Significance.* (25 points)

(i) The Secretary considers the significance of the proposed project.

(ii) In determining the significance of the proposed project, the Secretary considers the following factors:

(A) The potential contribution of the proposed project to the development and advancement of theory, knowledge, and practices in the field of study. (5 points)

(B) The extent to which the proposed project involves the development or demonstration of promising new strategies that build on, or are alternatives to, existing strategies. (15 points)

(C) The potential replicability of the proposed project or strategies, including, as appropriate, the potential for implementation in a variety of settings. (5 points)

(3) *Quality of the project design.* (20 points)

(i) The Secretary considers the quality of the design of the proposed project.

(ii) In determining the quality of the design of the proposed project, the Secretary considers the following factors:

(A) The extent to which the goals, objectives, and outcomes to be achieved by the proposed project are clearly specified and measurable. (5 points)

(B) The extent to which there is a conceptual framework underlying the proposed research or demonstration activities and the quality of that framework. (10 points)

(C) The extent to which the design of the proposed project reflects up-to-date knowledge from research and effective practice. (5 points)

(4) *Quality of the project personnel.* (20 points)

(i) The Secretary considers the quality of the personnel who will carry out the proposed project.

(ii) In determining the quality of the project personnel, the Secretary considers the following factors:

(A) The extent to which the applicant encourages applications for employment from persons who are members of groups that have traditionally been under represented based on race, color, national origin, gender, age, or disability. (2 points)

(B) The qualifications, including relevant training and experience, of key project personnel. (18 points)

(5) *Adequacy of resources.* (10 points)

(i) The Secretary considers the adequacy of resources for the proposed project.

(ii) In determining the adequacy of resources for the proposed project, the Secretary considers the extent to which the costs are reasonable in relation to the number of persons to be served and the anticipated results and benefits. (10 points)

(6) *Quality of the management plan.* (15 points)

(i) The Secretary considers the quality of the management plan for the proposed project.

(ii) In determining the quality of the management plan for the proposed project, the Secretary considers one or more of the following factors:

(A) The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, time lines, and milestones for accomplishing project tasks. (5 points)

(B) The adequacy of mechanisms for ensuring high-quality products and services from the proposed project. (5 points)

(C) How the applicant will ensure that a diversity of perspectives are brought to bear in the operation of the proposed project, including those of students, faculty, parents, the business community, a variety of disciplinary and professional fields, recipients or beneficiaries of services, or others, as appropriate. (5 points)

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Program Authority: 20 U.S.C. 7132.

(Catalog of Federal Domestic Assistance Number 84.184H Safe and Drug-Free Schools and Communities Act National Programs—Grants to Institutions of Higher Education Program)

Dated: June 4, 1998.

Gerald N. Tirozzi,

Assistant Secretary for Elementary and Secondary Education.

[FR Doc. 98–15361 Filed 6–8–98; 8:45 am]

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