

DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Part 357

[Department of the Treasury Circular, Public Debt Series, No. 2-86]

Regulations Governing Book-Entry Treasury Bonds, Notes and Bills

AGENCY: Bureau of the Public Debt, Fiscal Service, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury is publishing a final rule to amend its TRADES Commentary (Appendix B of 31 CFR Part 357), to update the list of states that have enacted Revised Article 8 of the Uniform Commercial Code and that were the subject of prior notices published by Treasury in the **Federal Register**. Appendix B provides explanatory information regarding the regulations governing Treasury securities held in the commercial book-entry system, referred to as the Treasury/Reserve Automated Debt Entry System ("TRADES").

EFFECTIVE DATE: December 16, 1998.

FOR FURTHER INFORMATION CONTACT: Sandra Dyson, Attorney-Advisor (202) 219-3320, or Cynthia E. Reese, Deputy Chief Counsel, (202) 219-3320. Copies of the final rule are being made available for downloading from the Bureau of the Public Debt home page at the following address: www.publicdebt.treas.gov.

SUPPLEMENTARY INFORMATION: The final rule to govern Treasury securities held in the commercial book-entry system, or TRADES, was published August 23, 1996 (61 FR 43626), and was effective January 1, 1997. Appendix B of the rule, the TRADES Commentary, addresses the limited scope of federal preemption of state law under Section 357.11 of the Section-by Section Analysis. If the choice of law rules set forth in TRADES lead to the application of the law of a state that has not yet adopted Revised Article 8 of the Uniform Commercial Code (Revised Article 8) then TRADES applies Revised Article 8 (as approved by the American Law Institute and the National Conference of Commissioners on Uniform State Laws, or the "uniform version"). Treasury indicated in the preamble to the final rule that if a state passes a version of Revised Article 8 that is substantially identical to the uniform version, then reference to the uniform version would no longer be required. In the TRADES Commentary, Treasury further stated that it had reviewed the laws of those states which had adopted Revised Article 8 as of the

date of the publication of the final rule and had concluded that they were substantially identical to the uniform version. Those 28 states were enumerated and listed by name alphabetically in a footnote.

Treasury further indicated that it would publish in the **Federal Register** a notice setting forth its conclusion as to whether additional state enactments of Revised Article 8 are "substantially identical" to the uniform version for purposes of the regulations. Treasury has published such notices with respect to 22 states: California (62 FR 26, January 2, 1997), District of Columbia (62 FR 34010, June 18, 1997), Delaware, Hawaii, Maine, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Tennessee and Puerto Rico (62 FR 61912, November 20, 1997), South Dakota (63 FR 20099, April 23, 1998), Georgia, Florida and Connecticut (63 FR 35807, July 1, 1998) and Wisconsin, New Hampshire and Michigan (63 FR 50159, September 21, 1998). The TRADES Commentary further states that Treasury will, on an annual basis, amend the Commentary (Appendix B) to reflect subsequent enactments. The Commentary was amended last year to add California and the District of Columbia to the list. Accordingly, this final rule amends Appendix B to reflect the addition of the other nineteen aforementioned states for which Treasury has published notices to the list of states enumerated therein.

Procedural Requirements

This final rule does not meet the criteria for a "significant regulatory action" pursuant to Executive Order 12866. The notice and public comment procedures requirements of the Administrative Procedure Act are inapplicable, pursuant to 5 U.S.C. 553(a)(2).

As no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*) do not apply.

There are no collections of information contained in this final rule. Therefore, the Paperwork Reduction Act does not apply.

List of Subjects in 31 CFR Part 357

Bonds, Electronic funds transfer, Federal Reserve System, Government securities, Incorporation by reference, Securities.

For the reasons set forth in the preamble, Title 31, Chapter II, Subchapter B, Part 357 is amended as follows:

PART 357—REGULATIONS GOVERNING BOOK-ENTRY TREASURY BONDS, NOTES AND BILLS

1. The authority citation for Part 357 continues to read as follows:

Authority: 31 U.S.C. Chapter 31; 5 U.S.C. 301; 12 U.S.C. 391.

2. Appendix B to Part 357 is amended in the Section-by-Section Analysis for Section 357.11(b), in the third paragraph, by revising the fourth sentence and footnote 11 to read as follows:

Appendix B to Part 357—TRADES Commentary

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Section-by-Section Analysis

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Section 357.11—Law Governing Other Interests

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(b) *Limited Scope of Federal Preemption* * * *

* * * Treasury has determined that the versions of Article 8 passed by 50¹¹ states that have enacted Article 8 meet this standard. * * *

Dated: November 10, 1998.

Donald V. Hammond,

Fiscal Assistant Secretary.

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DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD05-98-017]

RIN 2115-AE47

Drawbridge Operation Regulations; Anacostia River, Washington, DC

AGENCY: Coast Guard, DOT.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is revising the rule currently governing the operation of the Frederick Douglass Memorial (South Capitol Street) bridge

¹¹ Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.