

all exemptible accounts of a customer as a single account, the bank must continue to treat such accounts consistently as a single account for purposes of determining the qualification of the customer as a non-listed business or payroll customer.

\* \* \* \* \*

(ix) *Exemptible accounts of a non-listed business or payroll customer.* The exemptible accounts of a non-listed business or payroll customer include transaction accounts and money market deposit accounts. However, money market deposit accounts maintained other than in connection with a commercial enterprise are not exemptible accounts. A transaction account, for purposes of this paragraph (d), is any account described in section 19(b)(1)(C) of the Federal Reserve Act, 12 U.S.C. 461(b)(1)(C), and its implementing regulations (12 CFR part 204). A money market deposit account, for purposes of this paragraph (d), is any interest-bearing account that is described as a money market deposit account in 12 CFR 204.2(d)(2).

\* \* \* \* \*

Dated: July 14, 2000.

**James F. Sloan,**

*Director, Financial Crimes Enforcement Network.*

[FR Doc. 00-18770 Filed 7-27-00; 8:45 am]

BILLING CODE 4820-03-P

## POSTAL SERVICE

### 39 CFR Part 111

#### Sack Preparation Changes for Periodicals Nonletter-Size Pieces and Periodicals Prepared on Pallets

**AGENCY:** Postal Service.

**ACTION:** Final rule.

**SUMMARY:** This final rule sets forth changes to the Domestic Mail Manual (DMM) for the preparation of nonautomation nonletter-size carrier route Periodicals prepared in sacks and the preparation of Periodicals packages and bundles on pallets. For Periodicals carrier route mail prepared in sacks, the changes require carrier route sacks to contain a minimum of 24 pieces and make the use of 5-digit scheme carrier routes sacks, using DMM labeling list L001, a required sortation level. All other sack sortation criteria remain unchanged. For Periodicals prepared as packages and bundles on pallets, the changes require preparation of 5-digit scheme pallets, using DMM labeling list L001.

**EFFECTIVE DATE:** A future date that coincides with the implementation of rates resulting from the R2000-1 rate case. A document announcing the effective date will be published in the **Federal Register** at a later date.

**FOR FURTHER INFORMATION CONTACT:** Joel Walker, 202-268-3340; jwalke13@email.usps.gov.

**SUPPLEMENTARY INFORMATION:** On May 16, 2000, the Postal Service published for comment in the **Federal Register** (65 FR 31118-31120) a proposed rule to change preparation requirements for nonautomation nonletter-size carrier route Periodicals prepared in sacks and for Periodicals packages and bundles prepared on pallets.

The Postal Service proposed that all direct carrier route sacks must contain a minimum of 24 pieces and proposed to require the use of 5-digit/scheme carrier routes sortation using DMM L001 for nonautomation nonletter-size Periodicals prepared in sacks. In addition, the Postal Service proposed to require preparation of both 5-digit scheme and 5-digit pallets when there are 500 pounds of Periodicals packages and bundles for a scheme under DMM L001, or for a single 5-digit ZIP Code not listed in DMM L001.

The Postal Service received a total of five comments on the proposed rule. All comments supported the rule, with two comments highly in favor. Therefore, the Postal Service will adopt, without revision, the proposed changes effective at a future date that coincides with implementation of rates resulting from the R2000-1 rate case.

On May 18, 2000, the Postal Service published for comment in the **Federal Register** (65 FR 31506) a proposed rule to require that packages of basic carrier route Periodicals be sequenced in line-of-travel or walk sequence order. As described in detail in an accompanying final rule, the Postal Service will adopt those proposed changes on the same date as the preparation changes described in this final rule.

Because some of these rules overlap (specifically, E230.2.2a), this final rule is written to include the standards that are included in the other final rule.

#### Summary of Comments

The Postal Service received five comments on the proposed rule. The respondents included individual publishers, publisher associations, and mailing agents. Although in favor of the proposed rule, two respondents voiced opposition to any future proposal to change the standards for low-volume packages and sacks (fewer than six pieces) or the current minimum volume

sack standards for Periodicals. In addition, the two respondents voiced a concern that not all publishers will be able to incorporate L001 into their software by the proposed October 15, 2000, effective date. Therefore, the Postal Service has revised the effective date of the proposed rule. Mailers have the option to use these preparation standards now and will be required to use these standards with the date that coincides with implementation of rates resulting from the R2000-1 rate case. Mailers not currently using these standards are encouraged to begin using them as soon as possible.

One respondent offered three comments that are outside the scope of the proposed rule. The first comment expressed continued support for an option for mailers to label sacks to a carrier route rather than to "mixed carrier routes" when the sack contains mail only to a single carrier route, but less than 24 pieces. The next comment expressed support for the design and implementation of a new container (mini-pallet), and the last suggested that these rule changes be expanded to Standard Mail (A) flat-size mail.

For the reasons discussed above, the Postal Service adopts the following amendments to the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulations (see 39 CFR part 111).

#### List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

#### PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 3001-3011, 3201-3219, 3403-3406, 3621, 3626, 5001.

2. Amend the following sections of the *Domestic Mail Manual* (DMM) as follows:

#### E ELIGIBILITY

\* \* \* \* \*

#### E200 Periodicals

\* \* \* \* \*

#### E230 Nonautomation Rates

\* \* \* \* \*

#### 2.0 CARRIER ROUTE RATES

\* \* \* \* \*

[Amend 2.2 by revising the heading and item a, redesignating item b as item c, and adding a new item b to read as follows:]

2.2 Sequencing

Preparation to qualify eligible pieces for carrier route rates is optional and is subject to M200. Carrier route sort need not be done for all carrier routes in a 5-digit area. Specific rate eligibility is subject to these standards:

a. The carrier route rates apply to copies in carrier route packages of six or more letter-size pieces each that are sorted to carrier routes, 5-digit carrier routes, or 3-digit carrier routes trays; and six or more flat-size pieces or irregular parcel-size pieces each that are sorted to carrier route, 5-digit, or 5-digit scheme carrier routes sacks. Preparation of 5-digit scheme carrier routes sacks is required for all 5-digit scheme destinations. The applicable sequencing requirements in M050 and in 2.2b or 2.2c also must be met.

b. Basic carrier route rate mail must be prepared either in carrier walk sequence or in line-of-travel (LOT) sequence according to LOT schemes prescribed by the USPS (M050).

c. The high density and saturation rates apply to pieces that are eligible for carrier route rates under 2.2a, are prepared in carrier walk sequence, and meet the applicable density standards in 6.0 for the rate claimed.

\* \* \* \* \*

M MAIL PREPARATION AND SORTATION

M000 General Preparation Standards

M010 Mailpieces

M011 Basic Standards

1.0 TERMS AND CONDITIONS

\* \* \* \* \*

1.3 Preparation Instructions

For purposes of preparing mail: [Amend items h and i by revising the fourth sentence in each to read as follows:]

\* \* \* \* \*

h. \* \* \* The 5-digit/scheme sort is required for carrier route rate flat-size and irregular parcel Periodicals and optional for flat-size Enhanced Carrier Route rate Standard Mail (A) in sacks. \* \* \*

i. \* \* \* The 5-digit/scheme sort is required for carrier route rate flat-size and irregular parcel Periodicals and optional for flat-size Standard Mail (A) prepared as packages on pallets and may not be used for other mail prepared on pallets, except for packages of Standard Mail (A) irregular parcels that are part of a mailing job that is prepared in part as palletized flats at automation rates. \* \* \*

\* \* \* \* \*

M030 Containers

\* \* \* \* \*

M033 Sacks and Trays

1.0 BASIC STANDARDS

\* \* \* \* \*

1.8 Periodicals Flats and Irregular Parcels Origin/Entry SCF Sacks

[Amend 1.8 by revising the first sentence to read as follows:]

For flat-size and irregular parcel-size Periodicals, after all carrier route, 5-digit carrier routes, 5-digit scheme carrier routes, 5-digit, 3-digit, and required SCF sacks are prepared, an SCF sack must be prepared to contain any remaining 5-digit and 3-digit packages for the 3-digit ZIP Code area(s) served by the SCF serving the post office where the mail is verified, and may be prepared for the area served by the SCF/plant where mail is entered (if that is different from the SCF/plant serving the post office where the mail is verified; e.g., a PVDS deposit site). \* \* \*

\* \* \* \* \*

M040 Pallets

M041 General Standards

\* \* \* \* \*

5.0 PREPARATION

\* \* \* \* \*

5.2 Required Preparation

These standards apply to:

[Amend item a by revising the third sentence and adding a new fourth sentence to read as follows:]

a. Periodicals, Standard Mail (A), and Parcel Post (other than BMC Presort, OBMC Presort, DSCF, and DDU rate mail). A pallet must be prepared to a required sortation level when there are 500 pounds of Periodicals or Standard Mail packages, sacks, or parcels or six layers of Periodicals or Standard Mail (A) letter trays. For packages of Periodicals flats and irregular parcels on pallets prepared under the standards for package reallocation (M045.5), not all mail for a required 5-digit scheme destination is required to be on a 5-digit scheme pallet. For packages of Standard Mail (A) flats on pallets, not all mail for a required 5-digit destination is required to be on a 5-digit pallet or optional 5-digit/scheme pallet. \* \* \*

\* \* \* \* \*

M045 Palletized Mailings

\* \* \* \* \*

4.0 PALLET PRESORT AND LABELING

4.1 Packages, Bundles, Sacks, or Trays on Pallets

Preparation sequence and Line 1 labeling: [Revise items a and b to read as follows:]

a. 5-digit (for Periodicals sacks or trays and all Standard Mail): required for sacks; required for packages and bundles of Standard Mail, except for packages and bundles prepared under b; optional for trays; for Line 1, use 5-digit ZIP Code destination of contents.

b. 5-digit scheme: required for Periodicals packages and bundles and optional for Standard Mail (A) packages and bundles; for Line 1 for 5-digit pallets, use 5-digit ZIP Code destination of contents; for Line 1 for 5-digit scheme pallets, use L001, Column B.

\* \* \* \* \*

M200 Periodicals (Nonautomation)

1.0 BASIC STANDARDS

\* \* \* \* \*

1.5 Low-Volume Packages and Sacks

[Amend 1.5 by revising package and sack levels to read as follows:]

As a general exception to 2.4b through 2.4d, and 3.1a through 3.1e, nonletter-size Periodicals may be prepared in carrier route, 5-digit, and 3-digit packages containing fewer than six pieces when the publisher determines that such preparation improves service, provided those packages are placed in 5-digit carrier routes, 5-digit scheme carrier routes, 5-digit, 3-digit, and SCF sacks. These low-volume packages may be placed on 5-digit, 5-digit scheme, 3-digit, and SCF pallets under M045.

\* \* \* \* \*

3.0 SACK PREPARATION (FLAT-SIZE PIECES AND IRREGULAR PARCELS)

3.1 Sack Preparation

Sack size, preparation sequence, and Line 1 labeling:

[Amend 3.1 by removing b, redesignating c through h as b through g respectively, and revising a and new b to read as follows:]

a. Carrier route: Required for rate eligibility at 24 pieces, fewer pieces not permitted; for Line 1, use 5-digit ZIP Code destination of packages, preceded for military mail by the prefixes under M031.

b. 5-digit/scheme carrier routes (carrier route packages only): Required for rate eligibility (no minimum); for Line 1 for 5-digit carrier routes sacks, use 5-digit ZIP Code destination of packages, preceded for military mail by

the prefixes under M031; for Line 1 for 5-digit scheme carrier routes sacks, use L001, Column B.

\* \* \* \* \*

This change will be published in a future issue of the Domestic Mail Manual. An appropriate amendment to 39 CFR 111.3 to reflect these changes will be published.

**Stanley F. Mires,**

*Chief Counsel, Legislative.*

[FR Doc. 00-19163 Filed 7-27-00; 8:45 am]

BILLING CODE 7710-12-P

## POSTAL SERVICE

### 39 CFR Part 111

#### Line-of-Travel Sequencing for Basic Carrier Route Periodicals

**AGENCY:** Postal Service.

**ACTION:** Final rule.

**SUMMARY:** This final rule sets forth changes to the Domestic Mail Manual (DMM) for the preparation of basic carrier route Periodicals in line-of-travel (LOT) order.

**EFFECTIVE DATE:** A future date that coincides with implementation of rates resulting from the R2000-1 rate case. A document announcing the effective date will be published in the **Federal Register** at a later date.

**FOR FURTHER INFORMATION CONTACT:**

Anne Emmerth, 202-268-2363; aemmerth@email.usps.gov.

**SUPPLEMENTARY INFORMATION:** On May 18, 2000, the Postal Service published for comment in the **Federal Register** (65 FR 31506) a proposed rule requiring that packages of basic carrier route Periodicals be sequenced in LOT or walk-sequence order. Mailers would be required to use the Postal Service LOT product to sequence their mail no more than 90 days prior to mailing. Alternately, mailers may prepare mail in walk sequence under the standards in M050.

This final rule is based on a cost analysis that indicated that implementing a line-of-travel or walk-sequence requirement for packages of basic carrier route Periodicals could produce significant savings.

The Postal Service received a total of four comments on the proposed rule; all of those comments strongly supported the proposal. Therefore, the Postal Service will adopt the proposed changes effective on the date that coincides with implementation of rates resulting from the R2000-1 rate case. Mailers will be notified of the effective date through the **Federal Register**.

The LOT product is available through the Postal Service National Customer Support Center ([www.usps.com](http://www.usps.com) > address quality > address information systems (AIS) products or 1-800-238-3150). New postage statements will not be produced until rates are implemented for the R2000-1 rate case. Until then, mailers must annotate line 22 (for outside-county) and line 53 (for In-county) on the Forms 3541 to show the sequencing date.

On May 16, 2000, the Postal Service published for comment in the **Federal Register** (65 FR 31118) a proposed rule to require that, for carrier route Periodicals prepared in sacks, those sacks must contain a minimum of 24 pieces and must be sorted to a required 5-digit scheme carrier routes sack level using DMM labeling list L001. For Periodicals prepared as packages and bundles on pallets, mailers would be required to prepare a 5-digit scheme pallet using DMM labeling list L001. As described in detail in an accompanying final rule, the Postal Service will adopt those proposed changes on the same date as the preparation changes described in this final rule. Because some of these rules overlap (specifically, DMM E230.2.2a), this final rule is written to include the standards that are included in the other final rule.

#### Summary of Comments

The Postal Service received four comments in response to the proposed rule. The respondents included Periodicals publishers and one publisher association. All four respondents expressed strong support of the proposal as a way to reduce mail processing costs for Periodicals. Two respondents asked for additional changes to the Domestic Mail Manual to allow small newspaper publishers to get sequencing information through means other than the USPS LOT product. Those comments are outside the scope of this final rule and will be taken under consideration by the Postal Service for possible future action. However, mailers may obtain walk sequence information through the means described in DMM M050.

For the reasons discussed above, the Postal Service adopts the following amendments to the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulation (see 39 CFR part 111).

#### List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

## PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

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#### E230 Nonautomation Rates

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a. The carrier route rates apply to copies in carrier route packages of six or more letter-size pieces each that are sorted to carrier routes, 5-digit carrier routes, or 3-digit carrier routes trays; and six or more flat-size pieces or irregular parcel-size pieces each that are sorted to carrier route, 5-digit, or 5-digit scheme carrier routes sacks. Preparation of 5-digit scheme carrier routes sacks is required for all 5-digit scheme destinations. The applicable sequencing requirements in M050 and in 2.2b or 2.2c also must be met.

b. Basic carrier route rate mail must be prepared either in carrier walk sequence or in line-of-travel (LOT) sequence according to LOT schemes prescribed by the USPS (M050).

c. The high density and saturation rates apply to pieces that are eligible for carrier route rates under 2.2a, are prepared in carrier walk sequence, and meet the applicable density standards in 6.0 for the rate claimed.

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## M MAIL PREPARATION AND SORTATION

### M000 General Preparation Standards

#### M010 Mailpieces

\* \* \* \* \*