

excluding transfer payments between the OASI and DI Trust Funds, and reducing any transfers to the Railroad Retirement Account by any transfers from that account into either trust fund.

Ratio. The combined assets of the OASI and DI Trust Funds at the beginning of 2000 equaled \$896,133 million, and we estimate the expenditures in 2000 to be \$416,120 million. Thus, the OASDI fund ratio for 2000 is 215.4 percent, which exceeds the applicable threshold of 20.0 percent. Therefore, the stabilizer provision does not affect the benefit increase for December 2000. Although the OASDI fund ratio exceeds the 32.0-percent threshold for potential "catch-up" benefit increases, the stabilizer provision has not reduced any past benefit increase. Thus, no "catch-up" benefit increase is required.

(Catalog of Federal Domestic Assistance: Program Nos. 96.001 Social Security-Disability Insurance; 96.002 Social Security-Retirement Insurance; 96.004 Social Security-Survivors Insurance; 96.006 Supplemental Security Income)

Dated: October 18, 2000.

Kenneth S. Apfel,

Commissioner of Social Security.

[FR Doc. 00-27249 Filed 10-23-00; 8:45 am]

BILLING CODE 4191-02-P

DEPARTMENT OF STATE

[Public Notice 3454]

Bureau of Educational and Cultural Affairs Request for Proposals; Fulbright Student Program

NOTICE: Request for Proposals.

SUMMARY: The Office of Academic Programs of the United States Department of State's Bureau of Educational and Cultural Affairs announces an open competition for one or more assistance award(s). Public and private non-profit organizations meeting the provisions described in IRS regulation 26 CFR 1.501(c) may submit proposals to provide administrative and program services for the Fulbright Student Program in Fiscal Year 2002. Pursuant to its grants guidelines established cooperatively with the Congress, "The Bureau seeks to promote competition and balance in its discretionary grant-making and strives to avoid exclusivity." The Bureau is competing the administrative functions that support the Fulbright Student Program for the first time in the fifty-five year history of the Program. Deadline for receipt of proposals is February 1, 2001. The cooperative

agreement(s) will begin o/a October 1, 2001, pending appropriation of funds.

Program Information

Overview: The Fulbright Program was created by the U.S. Congress at the end of World War II to exchange U.S. and foreign students, scholars and teachers, providing them with the opportunity to experience firsthand the political, economic and cultural institutions and societies in each other's countries. In the intervening years, the Fulbright Program has evolved into the premier educational exchange program sponsored by the people of the United States through their federal government, and thus an important element in the conduct of U.S. foreign affairs. The Fulbright Program, which now extends to approximately 140 foreign countries and involves 5,000 participants overall every year, has helped to form and inform tens of thousands of the world's leaders in every academic and professional field. The student portion of the Fulbright Program will engage approximately 875 U.S. and 2,700 foreign students in FY 2002.

The hallmark of the Fulbright Program is binationalism. The United States and foreign governments, educational and other public and private institutions are all partners in this exchange. In many countries of the world, financial contributions from governments or public/private sources match or exceed those of the United States. Because of its binational nature, the profile of the Fulbright Program worldwide reflects a range of objectives and interests.

The Fulbright Program's grant-making authority is contained in the Mutual Educational and Cultural Exchange Act of 1961, Public Law 87-256, as amended, also known as the Fulbright-Hays Act. The purpose of the Act is "to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries * * *; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations * * * and thus to assist in the development of friendly, sympathetic and peaceful relations between the United States and the other countries of the world." The Fulbright Program is funded through annual Congressional appropriations to the Department of State and receives significant financial support from partner governments and private donors worldwide.

Fulbright Student Program

For more than fifty-five years, the Fulbright Student Program has offered grants to college and university graduates as well as to creative artists to study and conduct research abroad and in the United States. In the creative and performing arts, applicants must have completed four years of professional study and/or experience. Tens of thousands of U.S. and foreign students have participated in the program since its inception. In FY 2002, the Fulbright Student Program will send abroad approximately 875 U.S. students and artists to study and conduct research and will bring to this country approximately 1,500 new foreign students for similar activities. Additionally, in FY 2002, the grants to 1,200 foreign students from prior years will be renewed. Applicants for this award(s) should submit program proposals and budget projections for new students only. Prior year grants will be administered by the organizations currently administering the program.

Responsibility for the management of the Fulbright Student Program is currently shared among the Bureau of Educational and Cultural Affairs of the U.S. Department of State in Washington, bilateral Fulbright Commissions in 51 countries and public affairs sections of U.S. embassies overseas, and cooperating private sector agencies in the United States. Overall policy guidelines for all Fulbright programs are determined by the Presidentially-appointed J. William Fulbright Foreign Scholarship Board (FSB).

Because the Fulbright Student Program is both global and binational in nature, its administration is programmatically and administratively complex. It must accommodate a variety of circumstances in every geographic region of the world and be responsive to and supportive of many different constituencies in the United States and abroad, each with its own sets of goals and concerns. The integrity of the Program requires that it maintain the highest and most consistent standards of academic and professional quality in the selection of candidates and implementation of projects. While the Program is active in some 140 countries, it is important that it maintain a single worldwide identity.

Under the FSB's auspices, U.S. citizens are awarded grants each year, through a merit-based, competitive process, to study and undertake research at universities or research institutions abroad. Grant opportunities for U.S. students are determined overseas by binational Fulbright

Commissions and U.S. embassies in coordination with the Bureau of Educational and Cultural Affairs in Washington.

Similarly, foreign students receive grants each year for study and individual research in the U.S. Grantees for this program are nominated through open, merit-based competitions in each participating country, conducted by a binational Fulbright Commission or, in the absence of a Commission, by U.S. embassies.

Eligibility Guidelines

Public and private non-profit organizations with at least four years of experience in conducting international exchange programs and meeting the provisions described in IRS regulation 26 CFR 1.501(c) may apply to provide administrative and program services for the Fulbright Student Program in Fiscal Year 2002.

Options

Organizations or consortia of organizations may compete to administer the entire world-wide Fulbright Student Program, comprising both the U.S. and foreign student components.

Alternatively, single organizations or consortia of organizations may compete to administer the U.S. student program and/or the foreign student program based on the following guidelines:

For the U.S. Student Fulbright Program, the Competition Is Open To

—single organizations or consortia of organizations wishing to administer the program worldwide.

For the Foreign Student Fulbright Program, the Competition Is Open To

- single organizations or consortia of organizations wishing to administer the program worldwide or;
- single organizations wishing to administer the foreign student program for one or more regions of the world. For the purpose of this competition, regions are defined as follows:
 - Western Hemisphere [Latin America, the Caribbean and Canada];
 - Sub-Saharan Africa;
 - Europe, [West, Central and East Europe including Greece, Turkey and Cyprus];
 - North Africa and the Middle East;
 - South Asia;
 - Far East and Pacific.

Organizations may submit proposals to administer the worldwide U.S. student program and the foreign student program in one or more regions. The Bureau will not accept proposals to

administer the Foreign Student Fulbright Program in a single country or group of countries other than those in the defined regions. A complete list of countries and country programs in each region is provided in the Project Objectives, Goals and Implementation (POGI) package.

At the present time, the Bureau does not administer a Foreign Student Fulbright Program for the Newly Independent States.

Consortia wishing to administer the worldwide Fulbright Student Program (U.S. and foreign), the U.S. student program or the worldwide foreign student program should designate one organization to be the recipient of the cooperative agreement award. Applications proposing administration of the Program by a consortium should provide a detailed description of arrangements for cooperative work among the partners and between the partners and the U.S. and overseas academic communities, bilateral commissions and other entities responsible for the Fulbright Program.

The Bureau reserves the right to reduce, revise, or increase proposal budgets in accordance with the needs of the program and availability of funds. In addition, it reserves the right to accept proposals in whole or in part and make an award or awards in accordance with what serves the best interest of the Fulbright Student Program. Awards made will be subject to periodic reporting and evaluation requirements.

Application Guidelines

The Bureau will work closely with the recipient(s) of the cooperative agreement award(s) and will maintain a regular dialogue on administrative issues and questions as they arise over the duration of the award. Contingent upon satisfactory performance based on annual reviews, the Bureau intends to renew the award(s) each year for a period of not less than four additional years. The Bureau reserves the right to renew the award(s) beyond that period.

Depending on the Bureau's final decision on who will receive the award(s), the recipient(s) of the cooperative agreement award(s) will be singly or jointly responsible, under Bureau supervision, for the following activities beginning October 1, 2001.

For U.S. Students

Program Planning and Management: The award recipient(s) will be responsible for recruitment of U.S. students; tracking and monitoring of grantees; maintenance of a data base on grantees; administration of a central fund used to augment the number of

graduating seniors and graduate students taking part in the program; preparation of statistical reports on distribution of grants by region, degree objective and source of funding. Proposals should offer strategies for recruitment of U.S. students and plans to enhance the visibility of the program and may include other innovative activities.

Publicity and Applications: The recipient(s) of the cooperative agreement award will be responsible for preparation and distribution of an "awards booklet" announcing grant opportunities, application packets and general program announcements, an annual directory of student grantees and flyers to publicize the program in the U.S. Proposals should address written and electronic communication, professional networking and other means, which will be used to enhance recruitment efforts. Suggested procedures should take into account the Bureau's plan to implement interactive electronic applications to the fullest possible extent. The award recipient(s) will be responsible for establishing and maintaining a website for the U.S. student program with appropriate links to the Bureau of Educational and Cultural Affairs' website and websites of binational Fulbright commissions overseas. Publicity and outreach efforts should include emphasis on recruitment of those groups currently under represented in the Fulbright Program, including people with disabilities and racial and ethnic minorities.

Screening and Selection Process: The recipient(s) of the cooperative agreement award will provide application forms and accept completed applications, both written and electronic, from U.S. program applicants; provide appropriate notification to applicants of their status on an on-going basis; pre-screen for eligibility all U.S. applicants; convene review committees composed of area and subject experts to screen U.S. applications to determine which among them will be recommended to U.S. embassies and Fulbright Commissions overseas and to the J. William Fulbright Foreign Scholarship Board.

Post-Nomination Services: The award recipient(s) will prepare letters for the J. William Fulbright Foreign Scholarship Board informing successful candidates of their selection; prepare letters for all candidates not selected or in alternate status; prepare grant award packages for candidates going to countries where the program is administered by U.S. embassies and to certain commission countries; respond to queries from grantees; prepare Congressional

notification letters for all U.S. candidates awarded grants; assist with pre-departure orientation for grantees going to China, Africa, the NIS, Southern Europe and the Baltics and other countries as required; maintain data on participants; prepare special reports at the request of the Bureau; review medical forms and identify health problems; electronically enroll some grantees in Bureau-provided health insurance; monitor grantees and provide grantee reports and analysis of these reports to the Bureau; prepare recognition certificates for all grantees; and assist with emergencies.

Fiscal Management: The award recipient(s) will manage payments of grantee stipends; provide quarterly reports on actual and projected expenditures; provide statistical, insurance, and other as hoc periodic reports; and monitor and audit internal functions and systems in accordance with U.S. Government and Bureau guidelines.

For Foreign Students

Program Planning and Management: The award recipient(s) will be responsible for placement of foreign students at U.S. institutions (note that some students are self-placed); development of U.S. university support in the form of tuition waivers or waivers of other academic fees; reviewing and making recommendations on grantee allowances; maintaining data base on grantee information, providing estimated costs for grants including tuition, meals and expenses, testing, pre-academic programs, cultural allowances and return travel; and preparation of special reports on the composition of the foreign student applicant pool. Proposals should offer strategies for placement and plans to enhance the visibility of the foreign student program and may include other innovative activities. Organizations or consortia should describe overseas capacities to assist U.S. embassies and Fulbright Commission with publicity, recruitment and selection of candidates for their foreign student program. These organizations or consortia should also address their regional, exchange or other kinds of expertise which would contribute to administration of the program.

Selection: The award recipient(s) will be responsible for preparation and distribution of application materials and selection guidelines to U.S. embassies and Fulbright commissions; receipt and review of applications; distributing testing materials and arranging special testing as necessary; and preparation of

grantee handbook and orientation material.

English Language and Pre-Academic Training: The award recipient(s) will be responsible for designing criteria and projecting costs for programs of English language upgrading and discipline-specific preparation for selected Fulbright students as required for their academic program of study; evaluating credentials, placement and supervision of students in these English language and pre-academic programs; and evaluating and monitoring programs.

Placement: The award recipient(s) will maintain and develop resources to ensure the best placement of students; maintain contact with U.S. universities and knowledge of universities' current capacities; specializations and admission requirements; evaluate applications to determine to which U.S. universities they should be submitted; submit applications to an adequate number of institutions to ensure appropriate placement; secure cost-sharing; receive application admissions and rejections, analyze data and forward recommendations to embassies/commissions; and confirm placement at U.S. institutions for self-placed grantees.

Supervision and Support: The award recipient(s) will be responsible for preparation of grant packages for grantees from non-commission and some commission countries; review of medical forms; electronically enrolling some grantees in Bureau-provided health insurance; monitoring and preparation of grantee reports; verification, monitoring and maintaining students' correct visa status; verifying grantee enrollment in approved academic programs and monitoring performance; reviewing requests for renewal and extension of grants; and assisting with emergency situations.

Enrichment Activities: Each year, a series of enrichment seminars is held for foreign Fulbright students across the U.S. It is the goal of the Bureau of Educational and Cultural Affairs to include all first-year foreign Fulbright students in one of these seminars. The goal of these seminars is to provide participating foreign students with an in-depth understanding of American institutions, society and culture. Organizations bidding to administer the foreign student program in two or more regions should demonstrate the capacity to organize and manage at least six substantive three-day regional seminars annually.

Fiscal Management: The award recipient(s) will manage grantee stipend payments, including tax withholding for foreign grantees from non-commission

and certain commission countries; provide quarterly reports on actual and projected expenditures; provide statistical, insurance and other ad hoc periodic reports; and monitor and audit internal functions and systems in accordance with U.S. Government and Bureau guidelines.

Budget Guidelines

A comprehensive line item administrative budget must be submitted with the proposal. It is anticipated that funding for the cooperative agreement award(s) which include program administration for all new Fulbright students will be approximately \$7.5 million. In addition, a program budget totaling approximately \$40 million for the global Fulbright Student Program will be transferred to the recipient(s) of the award in quarterly installments. Organizations/consortia submitting proposals to administer the worldwide U.S. student program and/or the foreign student program should submit budgets to support new students only. The current cooperative agreement awardees will continue to monitor and provide support for FY 2001 and earlier grantees.

Proposals must project a unit cost per U.S. and foreign student for each world region, provide a budget total by world region and document the percentage of time and cost per position for each staff member working on the Fulbright Student Program. Further budget guidance is contained in the Project Objective, Goals and Implementation (POGI) document.

Organizations competing for all or part of the Fulbright foreign student program should refer to the POGI for projected student caseloads for each geographic area.

Announcement Title and Number

All communications with the Bureau of Educational and Cultural Affairs, U.S. Department of State concerning this RFP should refer to the announcement's title and reference number ECA/A/E-02-01.

FOR FURTHER INFORMATION, CONTACT: Dr. Ellen S. Berelson, Office of Academic Exchange Programs, ECA/A/E/AF, Room 232, Bureau of Educational and Cultural Affairs, United States Department of State, 301 4th Street, SW., SA-44, Washington, DC 20547, phone: (202) 619-5376, fax: (202) 619-6137; E-mail: eberelson@pd.state.gov to request a Solicitation Package, containing more detailed information. The package will include all required application forms, standard guidelines for preparing a proposal, including

specific criteria for preparation of the proposal budget.

All inquiries about the Request for Proposal or any aspect of the Fulbright Student Program should be submitted in writing to Dr. Berelson. Interested applicants should read the complete **Federal Register** announcement before sending inquiries or submitting proposals.

Any questions or requests for information that applicants wish to make to overseas Fulbright Commissions or Public Affairs Sections at U.S. embassies also should be submitted in writing to Dr. Berelson for transmission to those overseas offices.

To Download a Solicitation Package Via Internet

The entire Solicitation Package may be downloaded from the Bureau's website at <http://exchanges.state.gov/education/rfps>. Please read all information before downloading.

Deadline for Proposals

All proposal copies must be received at the Bureau of Educational and Cultural Affairs, U.S. Department of State by 5 p.m. Washington, D.C. time on February 1, 2001. Faxed document will not be accepted. Documents postmarked with the due date but received on a later date will not be accepted. Each applicant must ensure that the proposals are received by the above deadline.

Applicants must follow all instructions in the Solicitation Package. The original and 15 copies of the application should be sent to:

U.S. Department of State, SA-44, Bureau of Educational and Cultural Affairs,
Reference: ECA/A/E-01-02, Program Management, ECA/EX/PM, Room 536, 301 4th Street, SW., Washington, DC 20547.

Applicants must also submit the "Executive Summary" and "Proposal Narrative" sections of the proposal on a 3.5" diskette, formatted for DOS. These documents must be provided in ASCII text (DOS) format with a maximum line length of 65 characters. The Bureau may transmit these files electronically to American embassies for their review, with the goal of reducing the time it takes to receive field comments for the Bureau's grant review process.

Diversity, Freedom and Democracy Guidelines

Pursuant to the Bureau's authorizing legislation, programs must maintain a non-political character and should be balanced and representative of the diversity of American political, social, and cultural life. "Diversity" should be interpreted in the broadest sense and

encompass differences including, but not limited to ethnicity, race, gender, religion, geographic location, socio-economic status and physical challenges. Applicants are strongly encouraged to adhere to the advancement of this principle both in program administration and in program content including recruitment and placement of students and selection of grantees for enrichment activities. Please refer to the review criteria under the "Support for Diversity" section for specific suggestions on incorporating diversity into the total proposal.

Public Law 104-319 provides that "in carrying out programs of educational and cultural exchange in countries whose people do not fully enjoy freedom and democracy, 'the Bureau' shall take appropriate steps to provide opportunities for participation in such programs to human rights and democracy leaders of such countries." Public Law 106-113 requires that governments of the countries described above do not have inappropriate influence in the selection process. Proposals should reflect advancement of these goals in their proposal contents, to the full extent deemed feasible.

Applicants should provide a diversity plan indicating how their proposal will serve to increase the number of U.S. Fulbright student grantees from under represented communities, as listed above. In addition, the plan should include ways the applicant will build diversity into administrative and programmatic aspects of the program—in the composition of screening/review committee members, in foreign student grantee placement, through orientation, enrichment and enhancement programs for U.S. and foreign Fulbright students, and in developing and implementing website and other online resources. The applicant may wish to designate a "diversity coordinator" among the proposed program staff.

Review Process

The Bureau will acknowledge receipt of all proposals and will review them first for technical eligibility. Proposals must conform to Bureau requirements and guidelines outlined in the Solicitation Package. Proposals will be deemed ineligible if they do not fully adhere to the guidelines established herein and in the solicitation package. Eligible proposals will undergo further advisory professional review at the Department of State which may include the use of advisory external consultants. Proposals may be reviewed by the Office of the Legal Advisor or by other Department elements. Final funding decisions are at the discretion of the

Assistant Secretary of State for Educational and Cultural Affairs. All programs and activities are subject to the availability of funds. Final technical authority for assistance awards resides with the Bureau of Educational and Cultural Affairs grants division.

Review Criteria

Technically eligible applications will be competitively reviewed according to the criteria stated below. These criteria are not rank-ordered.

1. *Quality*: Proposals should display an understanding of and respect for the goals and distinguished traditions of the Fulbright Program, as reflected in the requirements and priorities of this RFP. Proposals should demonstrate a commitment to excellence and creativity in the implementation and management of the program, including the recruitment of students.

2. *Program Planning*: Proposals should respond to the planning requirements outlined in the RFP. Planning should demonstrate substantive rigor. A detailed agenda and work plan, including a time line, should demonstrate feasibility and the applicant's logistical capacity to implement the Program.

3. *Ability to Achieve Program Objectives*: Proposals should demonstrate clearly how the applicant will fulfill the Program's objectives and implement plans, while demonstrating innovation and a commitment to academic excellence. Proposals should demonstrate a capacity for flexibility in the management of the Program.

4. *Institutional Capacity*: Proposed personnel and institutional resources should be adequate and appropriate to achieve Program goals. Applicants should demonstrate established links to institutions of higher education in the U.S. and knowledge of the overseas educational environment, particularly an awareness of conditions in societies and educational institutions outside the United States as they apply to academic exchange programs. Applicants should demonstrate prior experience or the capacity to negotiate significant cost savings for foreign students from American institutions of higher education. Applicants should also demonstrate their capacity to provide an information management/database system that meets Program requirements, is compatible with the Bureau's systems and will advance the Fulbright Student Program's plan for implementing electronic applications and data storage.

5. *Institutional Performance*: Proposals should demonstrate an institutional record of managing

successful exchange programs including: significant experience in developing and administering international exchange programs, sound fiscal management, and full compliance with all reporting requirements for past Bureau cooperative agreement awards as determined by the Bureau's Grants Division. In its review of proposals, the Bureau will consider the past performance of prior recipients and the demonstrated potential of new applicants.

6. *Cost-effectiveness*: Overhead and administrative components including salaries should be kept as low as possible while adequate and appropriate to provide the required services. Proposals should document plans to realize cost-savings and other efficiencies through use of technology, administrative streamlining and other management techniques.

7. *Cost-sharing*: Proposals should demonstrate maximum cost-sharing. Preference will be given to proposals which demonstrate innovative approaches to leveraging of funds, fund-raising and other sharing of costs.

8. *Support of Diversity*: Proposals should demonstrate the applicant's awareness and understanding of diversity and a commitment to its achievement through individual grant awards and institutional participation and in other ways in both administrative and programmatic aspects of the Fulbright program.

9. *Evaluation*: Proposals should include a plan to evaluate the success of the Program. The Bureau recommends that proposals include a draft survey questionnaire or other techniques plus description of a methodology to use to link outcomes to original project objectives.

Notice

The terms and conditions published in this RFP are binding and may not be modified by any Bureau representative. Explanatory information provided by the Bureau that contradicts published language will not be binding. Issuance of the RFP does not constitute an award commitment on the part of the Government. The Bureau reserves the right to accept proposals in whole or in part and make an award or awards in accordance with what best serves the interests of the global Fulbright Student Program. The Bureau also reserves the right to reduce, revise, or increase proposal budgets in accordance with the needs of the program and the availability of funds. Awards made will be subject to periodic reporting and evaluation requirements. Programs must comply with J-1 visa regulations. Please

refer to the Solicitation Package for further information.

Notification

Final awards cannot be made until funds have been appropriated by Congress, allocated and committed through internal Department of State procedures.

Dated: October 18, 2000.

William B. Bader,

Assistant Secretary for Educational and Cultural Affairs, U.S. Department of State.

[FR Doc. 00-27292 Filed 10-23-00; 8:45 am]

BILLING CODE 4710-05-U

DEPARTMENT OF STATE

[Public Notice No. 3445]

Shipping Coordinating Committee; Notice of Meeting

The Shipping Coordinating Committee (SHC) scheduled to take place on Wednesday, November 8, 2000 at U.S. Coast Guard Headquarters has been cancelled. For further information, please contact Captain Joseph F. Ahern or Lieutenant Daniel J. Goettle, U.S. Coast Guard, Office of Maritime and International Law (G-LMI), 2100 Second Street, S.W., Washington, D.C. 20593-0001; telephone (202) 267-1527; fax (202) 267-4496.

Dated: October 18, 2000.

Stephen M. Miller,

Executive Secretary, Shipping Coordinating Committee.

[FR Doc. 00-27290 Filed 10-23-00; 8:45 am]

BILLING CODE 4710-07-P

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

Notice of Granted Buy America Waiver

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice of Granted Buy America Waiver.

SUMMARY: This waiver allows ticket vending machine manufacturers to install the Giesecke & Devrient ("G&D") banknote identification modules (BIM) and count it as domestic for purposes of Buy America compliance. It is predicated on the non-availability of the item domestically and granted on July 21, 2000, for the period of two years, or until such time as a domestic source for this BIM becomes available, whichever occurs first. This notice shall insure that the public, particularly potential manufacturers, is aware of this waiver.

FTA requests that the public notify it of any relevant changes in the domestic market. FTA also granted an identical waiver to Mars Electronics, a competitor of G&D and manufacturer of a similar device. That waiver is published elsewhere in today's **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Meghan G. Ludtke, FTA Office of Chief Counsel, Room 9316, (202) 366-4011 (telephone) or (202) 366-3809 (fax).

SUPPLEMENTARY INFORMATION: The above-referenced waiver follows:

July 21, 2000.

Mr. Klaus J. Krauth, Vice President, Chief Financial Officer, Giesecke & Devrient America, Inc., 45925 Horseshoe Drive, Dulles, Virginia 20166.

Re: Application for Waiver of Buy America for Automated Fare Collection System Component

Dear Mr. Krauth: This letter responds to your correspondence of June 1, 2000, in which you request a Buy America component waiver based upon nonavailability for certain banknote identification modules (BIM) manufactured for use in ticket vending machines. The BIM at issue here features unique security functions and the ability to be upgraded for currency changes.

Based upon the fact that there were no known domestic sources, the Federal Transit Administration (FTA) has granted Buy America waivers to one of your competitors, Mars Electronics, for its bill handling unit (BHU), an item with similar functionality to the BIM. Upon hearing from both Mars and G&D on the subject of a component waiver, FTA contacted Cubic Transportation Systems, Inc., a manufacturer of ticket vending machines using both BIM's and BHU's and requested that it submit its assessment of the state of this market.

Cubic contended, by letter dated April 19, 2000, that based upon an extensive survey of the market, which is continuously updated by technical staff, there is no known U.S. manufacturer of a BIM/BHU that perform the functions listed herein. To date, Cubic has qualified only two sources for the BIM/BHU used in its ticket vending machines; those sources are G&D and Mars Electronics. This letter incorporates, by reference, the information contained in the above-referenced correspondence.

FTA's requirements concerning domestic preference for federally funded transit projects are set forth in 49 U.S.C. § 5323(j). However, Section 5323(j)(2)(B) states that those requirements shall not apply if the item or items being procured are not produced in the U.S. in sufficient and reasonably available quantities and of a satisfactory quality. The implementing regulation also provides that a waiver may be requested "for a specific item or material that is used in the production of a manufactured product." 49 CFR 661.7(g). The regulations allow a bidder or supplier to request a waiver only if it is being sought under this section. See 49 CFR 661.7(g) and 49 CFR 661.9(d). This waiver would allow G&D to treat the BIM as domestic.