AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Federal Register

2–27–01 Tuesday
Vol. 66 No. 39 Feb. 27, 2001
Pages 12435–12722

The **FEDERAL REGISTER** is published daily, Monday through Friday, except official holidays, by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, under the Federal Register Act (44 U.S.C. Ch. 15) and the regulations of the Administrative Committee of the Federal Register (1 CFR Ch. I). The Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 is the exclusive distributor of the official edition.

The **Federal Register** provides a uniform system for making available to the public regulations and legal notices issued by Federal agencies. These include Presidential proclamations and Executive Orders, Federal agency documents having general applicability and legal effect, documents required to be published by act of Congress, and other Federal agency documents of public interest.

Documents are on file for public inspection in the Office of the Federal Register the day before they are published, unless the issuing agency requests earlier filing. For a list of documents currently on file for public inspection, see http://www.nara.gov/fedreg.

The seal of the National Archives and Records Administration authenticates the Federal Register as the official serial publication established under the Federal Register Act. Under 44 U.S.C. 1507, the contents of the **Federal Register** shall be judicially noticed.

The **Federal Register** is published in paper and on 24x microfiche. It is also available online at no charge as one of the databases on GPO Access, a service of the U.S. Government Printing Office.

The online edition of the **Federal Register** is issued under the authority of the Administrative Committee of the Federal Register as the official legal equivalent of the paper and microfiche editions (44 U.S.C. 4101 and 1 CFR 5.10). It is updated by 6 a.m. each day the **Federal Register** is published and it includes both text and graphics from Volume 59, Number 1 (January 2, 1994) forward.

GPO Access users can choose to retrieve online **Federal Register** documents as TEXT (ASCII text, graphics omitted), PDF (Adobe Portable Document Format, including full text and all graphics), or SUMMARY (abbreviated text) files. Users should carefully check retrieved material to ensure that documents were properly downloaded.

On the World Wide Web, connect to the **Federal Register** at http://www.access.gpo.gov/nara. Those without World Wide Web access can also connect with a local WAIS client, by Telnet to swais.access.gpo.gov, or by dialing (202) 512-1661 with a computer and modem. When using Telnet or modem, type swais, then log in as guest with no password.

For more information about GPO Access, contact the GPO Access User Support Team by E-mail at gpoaccess@gpo.gov; by fax at (202) 512–1262; or call (202) 512–1530 or 1–888–293–6498 (toll free) between 7 a.m. and 5 p.m. Eastern time, Monday–Friday, except Federal holidays.

The annual subscription price for the **Federal Register** paper edition is $638, or $697 for a combined **Federal Register,** Federal Register Index and List of CFR Sections Affected (LSA) subscription; the microfiche edition of the **Federal Register** including the Federal Register Index and LSA is $253. Six month subscriptions are available for one-half the annual rate. The charge for individual copies in paper form is $9.00 for each issue, or $9.00 for each group of pages as actually bound; or $2.00 for each issue in microfiche form. All prices include regular domestic postage and handling. International customers please add 25% for foreign handling. Remit check or money order, made payable to the Superintendent of Documents, or charge to your GPO Deposit Account, VISA, MasterCard or Discover. Mail to: New Orders, Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250–7954.

There are no restrictions on the republication of material appearing in the **Federal Register.**

How To Cite This Publication: Use the volume number and the page number. Example: 66 FR 12345.

SUBSCRIPTIONS AND COPIES

PUBLIC	
Subscriptions:	
Paper or fiche	**202–512–1800**
Assistance with public subscriptions	**512–1806**
General online information	**202–512–1530; 1–888–293–6498**
Single copies/back copies:	
Paper or fiche	**512–1800**
Assistance with public single copies	**512–1803**
FEDERAL AGENCIES	
Subscriptions:	
Paper or fiche	**523–5243**
Assistance with Federal agency subscriptions	**523–5243**

Printed on recycled paper.

Contents

Federal Register

Vol. 66, No. 39

Tuesday, February 27, 2001

Agriculture Department
See Food Safety and Inspection Service
See Forest Service
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 12454–12457

Antitrust Division
NOTICES
Competitive impact statements and proposed consent judgments:
Clear Channel Communications, Inc., et al., 12544–12565
National cooperative research notifications:
ATM Forum, 12565
Spray Drift Task Force, 12565
United Technologies Research Center, 12566

Architectural and Transportation Barriers Compliance Board
NOTICES
Meetings:
Access Board, 12458–12459

Arts and Humanities, National Foundation
See National Foundation on the Arts and the Humanities

Centers for Disease Control and Prevention
NOTICES
Meetings:
Immunization Registry Standards and Electronic Transactions Committee, 12524–12525

Children and Families Administration
NOTICES
Grants and cooperative agreements; availability, etc.:
Assets for Independence Demonstration Program, 12687–12721
Organization, functions, and authority delegations:
Deputy Assistant Secretary for Administration Office, 12525–12528

Commerce Department
See Foreign-Trade Zones Board
See International Trade Administration
See National Oceanic and Atmospheric Administration
See Patent and Trademark Office

Corporation for National and Community Service
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 12503–12504

Energy Department
See Energy Information Administration
See Federal Energy Regulatory Commission
NOTICES
Electricity export and import authorizations, permits, etc.:
Idaho Power Co., 12504
San Diego Gas & Electric Co., 12504–12505
Reports and guidance documents; availability, etc.:
Small modular nuclear power units deployment study; report to Congress; information request, 12505–12506

Energy Information Administration
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 12506–12507

Environmental Protection Agency
NOTICES
Meetings:
Tribal Pesticide Program Council, 12507–12509

Federal Aviation Administration
PROPOSED RULES
Airworthiness directives:
General Electric Co., 12443–12444
Pratt & Whitney, 12440–12442

Federal Communications Commission
RULES
Common carrier services:
Agency competitive bidding authority
Effective date, 12437–12438
PROPOSED RULES
Radio stations; table of assignments:
Alaska, 12449
Arizona, 12450
Georgia, 12449–12450
NOTICES
Agency information collection activities:
Proposed collection; comment request, 12509
Meetings:
Network Reliability and Interoperability Council; correction, 12510
U.S. companies entry into foreign telecommunications markets; public forum, 12510
Rulemaking proceedings; petitions filed, granted, denied, etc., 12510–12511
Television broadcasting:
Limited low power television/television translator/Class A television auction filing window, 12511

Federal Energy Regulatory Commission
NOTICES
Application, hearings, determinations, etc.:
Bear Creek Storage Co., 12507

Federal Highway Administration
NOTICES
Environmental statements; notice of intent:
Klickitat and Skamania Counties, WA, and Hood River County, OR, 12583–12584
Mendocino County, CA, 12584

Federal Mine Safety and Health Review Commission
NOTICES
Meetings; Sunshine Act, 12566

Federal Reserve System
PROPOSED RULES
Bank holding companies and change in bank control (Regulation Y):
Financial subsidiaries, 12440
NOTICES
Banks and bank holding companies:
Formations, acquisitions, and mergers, 12511
Permissible nonbanking activities, 12511–12512
Meetings:
Consumer Advisory Council, 12512
Meetings; Sunshine Act, 12512

Federal Trade Commission
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 12512–12522
Premerger notification waiting periods; early terminations, 12522–12524

Fish and Wildlife Service
PROPOSED RULES
Endangered and threatened species:
Critical habitat designations—
Spruce-fir moss spider; correction, 12450–12451
NOTICES
Environmental statements; notice of intent:
Kenai National Wildlife Refuge, AK, 12541–12542

Food Safety and Inspection Service
PROPOSED RULES
Meat and poultry inspections:
Processed meat and poultry products; performance standards, 12589–12636

Foreign-Trade Zones Board
NOTICES
Applications, hearings, determinations, etc.:
Nebraska
Kawasaki Motors Manufacturing Corp., U.S.A.; manufacturing plant, 12459
New York, 12459
Pennsylvania
C&J Clark America, Inc.; footwear warehousing/distribution facility, 12459–12460
Texas
Sanden International (USA), Inc.; motor vehicle air-conditioner components manufacturing/warehouse facilities, 12460

Forest Service
NOTICES
Environmental statements; availability, etc.:
Green Mountain and Finger Lakes National Forest, VT, 12457
Environmental statements; notice of intent:
Helena National Forest, MT, 12457–12458

Health and Human Services Department
See Centers for Disease Control and Prevention
See Children and Families Administration
See Health Resources and Services Administration
See National Institutes of Health

Health Resources and Services Administration
NOTICES
Reports and guidance documents; availability, etc.:
Health Professions and Nurse Education Special Emphasis Panel; annual report, 12528–12529

Housing and Urban Development Department
NOTICES
Agency information collection activities:
Proposed collection; comment request, 12529–12533
Reporting and recordkeeping requirements, 12533–12535
Grant and cooperative agreement awards:
Housing Choice Voucher Program, 12535–12541

Indian Affairs Bureau
NOTICES
Tribal-State Compacts approval; Class III (casino) gambling:
Lummi Indian Nation, WA, 12542
Oglala Sioux Tribe, SD, 12542

Interior Department
See Fish and Wildlife Service
See Indian Affairs Bureau
See Land Management Bureau
See National Indian Gaming Commission
NOTICES
Meetings:
Delaware and Lehigh National Heritage Corridor Commission, 12541

Internal Revenue Service
PROPOSED RULES
Income taxes:
Domestic reverse hybrid entities; treaty guidance regarding payments, 12444–12448
Partner's interest basis determination under section 705; special rules
Correction, 12448–12449

International Trade Administration
NOTICES
Antidumping:
Circular welded non-alloy steel pipe from—
Korea, 12460–12461
Potassium permanganate from—
China, 12461–12465
Small diameter circular seamless carbon and alloy steel standard line and pressure pipes from—
Germany, 12465–12466
Export trade certificates of review, 12466–12499

Justice Department
See Antitrust Division
NOTICES
Pollution control; consent judgments:
Joy Technologies, Inc., 12544
Livingston et al., 12544

Land Management Bureau
NOTICES
Meetings:
Resource Advisory Councils—
Northwest Colorado, 12543
Survey plat filings:
Colorado, 12543

Maritime Administration
NOTICES
Coastwise trade laws; administrative waivers:
CHARISMA, 12584–12585
SPIRIT, 12585–12586

Mine Safety and Health Federal Review Commission
See Federal Mine Safety and Health Review Commission

National Aeronautics and Space Administration
NOTICES
Meetings:
Advisory Council
Space Science Advisory Committee, 12566–12567

National Foundation on the Arts and the Humanities
NOTICES
Meetings:
Humanities Panel, 12567

National Highway Traffic Safety Administration
RULES
Motor vehicle safety standards:
Occupant crash protection—
Safety equipment removal; exemptions from make inoperative prohibition for persons with disabilities, 12637–12656

National Indian Gaming Commission
NOTICES
Indian Gaming Regulatory Act:
Fee rates, 12567–12568

National Institutes of Health
NOTICES
Agency information collection activities:
Proposed collection; comment request, 12529

National Oceanic and Atmospheric Administration
RULES
Fishery conservation and management:
Northeastern United States fisheries—
Atlantic herring, 12438
PROPOSED RULES
Fishery conservation and management:
Magnuson-Stevens Act provisions—
Domestic fisheries; exempted fishing permit applications, 12451–12453
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 12499
Meetings:
Gulf of Mexico Fishery Management Council, 12499–12500
Mid-Atlantic Fishery Management Council, 12500
New England Fishery Management Council, 12500
Permits:
Endangered and threatened species, 12501
Marine mammals, 12501–12502

National Science Foundation
NOTICES
Meetings:
Biological Infrastructure Advisory Panel, 12568

Nuclear Regulatory Commission
RULES
Spent nuclear fuel and high-level radioactive waste; independent storage; licensing requirements
Approved spent fuel storage casks; list, 12435–12437
PROPOSED RULES
Spent nuclear fuel and high-level radioactive waste; independent storage; licensing requirements:
Approved spent fuel storage casks; list, 12439–12440
NOTICES
Meetings; Sunshine Act, 12570
Applications, hearings, determinations, etc.:
Duke Energy Corp., 12568–12570

Patent and Trademark Office
NOTICES
Agency information collection activities:
Proposed collection; comment request, 12502–12503

Postal Rate Commission
NOTICES
Meetings:
United Parcel Service petition; DOT staff action granting foreign forwarding license to DHL Worldwide Express; agency briefing, 12570

Public Health Service
See Centers for Disease Control and Prevention
See Health Resources and Services Administration
See National Institutes of Health

Securities and Exchange Commission
NOTICES
Joint industry plan:
American Stock Exchange LLC et al., 12571–12574
Self-regulatory organizations; proposed rule changes:
Chicago Board Options Exchange, Inc., 12574–12576
International Securities Exchange LLC, 12576–12577
National Association of Securities Dealers, Inc., 12577–12578
New York Stock Exchange, Inc.; correction, 12588
Pacific Exchange, Inc., 12578–12579
Pacific Exchange, Inc.; correction, 12588
Philadelphia Stock Exchange, Inc., 12579–12583
Applications, hearings, determinations, etc.:
Public utility holding company filings, 12570–12571

State Department
NOTICES
Gifts to Federal employees from foreign governments; list, 12657–12685

Surface Transportation Board
NOTICES
Railroad operation, acquisition, construction, etc.:
Gettysburg Railway Co., Inc., et al., 12586
Pioneer Railcorp, 12587

Transportation Department
See Federal Aviation Administration
See Federal Highway Administration
See Maritime Administration
See National Highway Traffic Safety Administration
See Surface Transportation Board

Treasury Department
See Internal Revenue Service
PROPOSED RULES
Financial subsidiaries, 12440

Separate Parts In This Issue

Part II
Department of Agriculture, Food Safety and Inspection Service, 12589–12636

Part III
Department of Transportation, National Highway Traffic Safety Administration, 12637–12656

Part IV
Department of State, 12657–12685

Part V
Department of Health and Human Services, Administration for Children and Families, 12687–12721

Reader Aids

Consult the Reader Aids section at the end of this issue for phone numbers, online resources, finding aids, reminders, and notice of recently enacted public laws.

CFR PARTS AFFECTED IN THIS ISSUE

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

9 CFR

Proposed Rules:

301 12590
303 12590
317 12590
318 12590
319 12590
320 12590
325 12590
331 12590
381 12590
417 12590
430 12590

10 CFR

72 12435

Proposed Rules:

72 12439

12 CFR

Proposed Rules:

225 12440
1501 12440

14 CFR

Proposed Rules:

39 (2 documents) 12440, 12443

26 CFR

Proposed Rules:

1 (2 documents) 12445, 12448

47 CFR

90 12437

Proposed Rules:

73 (3 documents) 12449, 12450

49 CFR

595 12638

50 CFR

648 12438

Proposed Rules:

17 12450
600 (2 documents) 12451, 12452

Rules and Regulations

Federal Register

Vol. 66, No. 39

Tuesday, February 27, 2001

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.

NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

RIN 3150–AG72

List of Approved Spent Fuel Storage Casks: FuelSolutions™ Revision

AGENCY: Nuclear Regulatory Commission.

ACTION: Direct final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is amending its regulations revising the BNFL Fuel Solutions FuelSolutions™ cask system listing within the ''List of Approved Spent Fuel Storage Casks'' to include Amendment No. 1 to the Certificate of Compliance (CoC). Amendment No. 1 will modify the present cask system design to allow the Big Rock Point nuclear facility to store mixed-oxide fuel assemblies, partial fuel assemblies, and damaged fuel assemblies (in a can) under a general license.

DATES: The final rule is effective May 14, 2001, unless significant adverse comments are received by March 29, 2001. If the rule is withdrawn, timely notice will be published in the **Federal Register**.

ADDRESSES: Submit comments to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, Attn: Rulemakings and Adjudications Staff. Deliver comments to 11555 Rockville Pike, Rockville, MD, between 7:30 a.m. and 4:15 p.m. on Federal workdays.

Certain documents related to this rulemaking, as well as all public comments received on this rulemaking, may be viewed and downloaded electronically via the NRC's rulemaking website at *http://ruleforum.llnl.gov.* You may also provide comments via this website by uploading comments as files (any format) if your web browser supports that function. For information about the interactive rulemaking site, contact Ms. Carol Gallagher, (301) 415–5905; e-mail CAG@nrc.gov.

Certain documents related to this rule, including comments received by the NRC, may be examined at the NRC Public Document Room, 11555 Rockville Pike, Rockville, MD. For more information, contact the NRC Public Document Room (PDR) Reference staff at 1–800–397–4209, 301–415–4737 or by email to *pdr@nrc.gov.*

Documents created or received at the NRC after November 1, 1999 are also available electronically at the NRC's Public Electronic Reading Room on the Internet at *http://www.nrc.gov/NRC/ADAMS/index.html.* From this site, the public can gain entry into the NRC's Agencywide Documents Access and Management System (ADAMS), which provides text and image files of NRC's public documents. An electronic copy of the proposed CoC and preliminary safety evaluation report (SER) can be found under ADAMS Accession No(s). ML003770047.

FOR FURTHER INFORMATION CONTACT: Gordon Gundersen, telephone (301) 415–6195, e-mail GEG1@nrc.gov, of the Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

SUPPLEMENTARY INFORMATION:

Background

Section 218(a) of the Nuclear Waste Policy Act of 1982, as amended (NWPA), requires that ''[t]he Secretary [of the Department of Energy (DOE)] shall establish a demonstration program, in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian nuclear power reactor sites, with the objective of establishing one or more technologies that the [Nuclear Regulatory] Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the Commission.'' Section 133 of the NWPA states, in part, that ''[t]he Commission shall, by rule, establish procedures for the licensing of any technology approved by the Commission under section 218(a) for use at the site of any civilian nuclear power reactor.''

To implement this mandate, the NRC approved dry storage of spent nuclear fuel in NRC-approved casks under a general license by publishing a final rule in 10 CFR part 72 entitled, ''General License for Storage of Spent Fuel at Power Reactor Sites'' (55 FR 29181; July 18, 1990). This rule also established a new Subpart L within 10 CFR part 72, entitled ''Approval of Spent Fuel Storage Casks'' containing procedures and criteria for obtaining NRC approval of spent fuel storage cask designs. The NRC subsequently issued a final rule on January 16, 2001 (66 FR 3444) that approved the FuelSolutions™ cask design and added it to the list of NRC-approved cask designs in § 72.214 as Certificate of Compliance Number (CoC No.) 1026.

Discussion

On September 29, 1999, and as supplemented on July 27, 2000, the certificate holder BNFL Fuel Solutions (BFS) submitted an application to the NRC to amend CoC No. 1026 to allow the Big Rock Point nuclear facility to store mixed-oxide (MOX) fuel assemblies, partial fuel assemblies, and damaged fuel assemblies (in a can). No other changes to the cask system design were requested in this application. The NRC staff performed a detailed safety evaluation of the proposed CoC amendment request and found that the proposed amendment does not reduce the safety margin. In addition, the NRC staff has determined that the change does not pose any increased risk to public health and safety.

This direct final rule revises the cask design listing in § 72.214 by adding Amendment No. 1 to CoC No. 1026. The amendment consists of changes to the Technical Specifications for the storage of MOX fuel assemblies, partial assemblies, and damaged assemblies (in a can). The particular Technical Specifications which are changed are identified in the NRC Staff's Safety Evaluation Report for Amendment No. 1.

The amended FuelSolutions™ cask system, when used in accordance with the conditions specified in the CoC, the Technical Specifications, and NRC regulations, will meet the requirements of Part 72; thus, adequate protection of public health and safety will continue to be ensured.

CoC No. 1026, the revised Technical Specifications, the underlying Safety Evaluation Report for Amendment No. 1, and the Environmental Assessment,

are available for inspection at the NRC Public Document Room, 11555 Rockville Pike, Rockville, MD. Single copies of the CoC may be obtained from Gordon Gundersen, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 415–6195, email GEG1@nrc.gov.

Discussion of Amendments by Section

§ 72.214 List of approved spent fuel storage casks.

Certificate No. 1026 is revised by adding the effective date of Amendment Number 1.

Procedural Background

This rule is limited to the changes contained in Amendment 1 to CoC No. 1026 and does not include other aspects of the FuelSolutions™ cask system design. Because NRC considers this amendment to its rules to be noncontroversial and routine, the NRC is using the direct final rule procedure for this rule. The amendment to the rule will become effective on May 14, 2001. However, if the NRC receives significant adverse comments by March 29, 2001, then the NRC will publish a document that withdraws this action and will address the comments received in response to the proposed amendment published elsewhere in this issue of the **Federal Register**. A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without a change. These comments will be addressed in a subsequent final rule. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period on this action.

Agreement State Compatibility

Under the ''Policy Statement on Adequacy and Compatibility of Agreement State Programs'' approved by the Commission on June 30, 1997, and published in the **Federal Register** on September 3, 1997 (62 FR 46517), this rule is classified as compatibility Category ''NRC.'' Compatibility is not required for Category ''NRC'' regulations. The NRC program elements in this category are those that relate directly to areas of regulation reserved to the NRC by the Atomic Energy Act of 1954, as amended (AEA) or the provisions of the Title 10 of the Code of Federal Regulations. Although an Agreement State may not adopt program elements reserved to NRC, it may wish to inform its licensees of certain requirements via a mechanism that is consistent with the particular State's administrative procedure laws, but does not confer regulatory authority on the State.

Plain Language

The Presidential Memorandum dated June 1, 1998, entitled, ''Plain Language in Government Writing'' directed that the Government's writing be in plain language. The NRC requests comments on this direct final rule specifically with respect to the clarity and effectiveness of the language used. Comments should be sent to the address listed under the heading **ADDRESSES** above.

Finding of No Significant Environmental Impact: Availability

Under the National Environmental Policy Act of 1969, as amended, and the NRC regulations in Subpart A of 10 CFR Part 51, the NRC has determined that this rule, if adopted, would not be a major Federal action significantly affecting the quality of the human environment and, therefore, an environmental impact statement is not required. The rule would amend the CoC for the FuelSolutions™ cask system within the list of approved spent fuel storage casks that power reactor licensees can use to store spent fuel at reactor sites under a general license. The amendment will modify the present cask system design to allow the Big Rock Point nuclear reactor facility to store MOX fuel assemblies, partial assemblies, and damaged fuel assemblies (in a can). The environmental assessment and finding of no significant impact on which this determination is based are available for inspection at the NRC Public Document Room, 11555 Rockville Pike, Rockville, MD. Single copies of the environmental assessment and finding of no significant impact are available from Gordon Gundersen, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 415–6195, email GEG1@nrc.gov.

Paperwork Reduction Act Statement

This direct final rule does not contain a new or amended information collection requirement subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). Existing requirements were approved by the Office of Management and Budget, Approval Number 3150–0132.

Public Protection Notification

If a means used to impose 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.

Voluntary Consensus Standards

The National Technology Transfer Act of 1995 (Pub. L. 104–113) requires that Federal agencies use technical standards that are developed or adopted by voluntary consensus standards bodies unless the use of such a standard is inconsistent with applicable law or otherwise impractical. In this direct final rule, the NRC would revise the FuelSolutions™ cask system design listed in § 72.214 (List of NRC-approved spent fuel storage cask designs). This action does not constitute the establishment of a standard that establishes generally applicable requirements.

Regulatory Analysis

On July 18, 1990 (55 FR 29181), the NRC issued an amendment to 10 CFR Part 72 to provide for the storage of spent nuclear fuel under a general license in cask designs approved by the NRC. Any nuclear power reactor licensee can use NRC-approved cask designs to store spent nuclear fuel if it notifies the NRC in advance, spent fuel is stored under the conditions specified in the cask's CoC, and the conditions of the general license are met. A list of NRC-approved cask designs is contained in § 72.214. On January 16, 2001 (66 FR 3444), the NRC issued an amendment to Part 72 that approved the FuelSolutions™ cask design by adding it to the list of NRC-approved cask designs in § 72.214. On September 29, 1999, and as supplemented on July 27, 2000, the certificate holder BFS, submitted an application to the NRC to amend CoC No. 1026 to permit a Part 72 licensee to store MOX fuel assemblies, partial assemblies, and damaged assemblies (in a can).

This rule will permit the Big Rock Point (BRP) nuclear facility to store MOX fuel assemblies, partial assemblies, and damaged assemblies (in a can) at the BRP ISFSI. The alternative to this action is to withhold approval of this amended cask system design and issue an exemption to the general licensee. This alternative would result in the same expenditure of time and money.

Approval of the direct final rule is consistent with previous NRC actions. Further, the direct final rule will have no adverse effect on public health and safety. This direct final rule has no significant identifiable impact or benefit on other Government agencies. Based on the above discussion of the benefits and impacts of the alternatives, the NRC

concludes that the requirements of the direct final rule are commensurate with the NRC's responsibilities for public health and safety and the common defense and security. No other available alternative is believed to be as satisfactory, and thus, this action is recommended.

Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act of 1980 (5 U.S.C. 605(b)), the NRC certifies that this rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. This direct final rule affects only the licensing and operation of nuclear power plants, independent spent fuel storage facilities, and BFS. The companies that own these plants 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 50.109 or 10 CFR 72.62) does not apply to this direct final rule because this amendment does not involve any provisions that would impose backfits as defined. Therefore, a backfit analysis is not required.

Small Business Regulatory Enforcement Fairness Act

In accordance with the Small Business Regulatory Enforcement Fairness Act of 1996, the NRC has determined that this action is not a major rule and has verified this determination with the Office of Information and Regulatory Affairs, Office of Management and Budget.

List of Subjects in 10 CFR Part 72

Criminal penalties, 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 adopting 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. 10d—48b, sec. 7902, 10b Stat. 31b3 (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, 2244, (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. In § 72.214, Certificate of Compliance (CoC) 1026 is revised to read as follows:

§ 72.214 List of approved spent fuel storage casks.

* * * * *

Certificate Number: 1026.

Initial Certificate Effective Date: February 15, 2001.

Amendment Number 1 Effective Date: May 14, 2001.

SAR Submitted by: BNFL Fuel Solutions.

SAR Title: Final Safety Analysis Report for the FuelSolutions™ Spent Fuel Management System.

Docket Number: 72–1026.

Certificate Expiration Date: February 15, 2021.

Model Number: WSNF–200, WSNF–201, and WSNF–203 systems; W–150 storage cask; W–100 transfer cask; and the W–21 and W–74 canisters.

* * * * *

Dated at Rockville, Maryland, this 8th day of February, 2001.

For the Nuclear Regulatory Commission.

William D. Travers,

Executive Director for Operations.

[FR Doc. 01–4765 Filed 2–26–01; 8:45 am]

BILLING CODE 7590–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 90

[WT Docket No. 99–87, FCC 00–403]

Revised Competitive Bidding Authority

AGENCY: Federal Communications Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: This document is to show rules amended by the Commission in order to changes to its statutory auction authority, shall become effective March 2, 2001. These sections, which contained new information collection requirements, were published in the **Federal Register** on January 2, 2001. This is to let the public know the effective date of the rules that contain new information collection requirements.

EFFECTIVE DATE: The amendments to 47 CFR Part 90, 47 CFR 90.621(e)(2) published at 66 FR 33 (January 2, 2001) are effective March 2, 2001.

FOR FURTHER INFORMATION CONTACT: Jim Shaffer, Public Safety and Private Wireless Division, Wireless Telecommunications Bureau, (202) 418–0680.

SUPPLEMENTARY INFORMATION: On November 9, 2000, the Commission adopted a *Report and Order* (FCC 00–403) to implement sections 309(j) and 337 of the Communications Act of 1934, as amended, as amended by the Balanced Budget Act of 1997 a summary of which was published in the **Federal Register**. See 66 FR 33, January 2, 2001. We stated that the Part 90 of the Commission's Rules, 47 CFR Part 90, is amended effective March 2, 1001, §90.621(e)(2) which contains information collections that are not effective until approved by the Office of Management and Budget. We also stated that the Commission will publish a document in the **Federal Register** announcing the effective date for those sections. This statement requires further action by the Commission to establish the effective date, notwithstanding the preceding statement in the summary that the rule change would become effective upon OMB approval. In order to resolve this matter in a manner that most appropriately provides interested

parties with proper notice, the rule changes adopted in the Order shall become effective March 2, 1001. The information collection were approved by OMB on January 29, 2001. See OMB No. 3060–0970.

List of Subjects in 47 CFR Part 90

Communications equipment, Radio, Reporting and recordkeeping requirements.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 01–4725 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 648

[Docket No. 000105004-0260-02; I.D. 063099A]

RIN 0648-AI78

Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Atlantic Herring Fishery; Atlantic Herring Fishery Management Plan; Partial Delay

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final rule; partial delay.

SUMMARY: In accordance with the memorandum of January 20, 2001, from the Assistant to the President and Chief of Staff, entitled ''Regulatory Review Plan,'' published in the **Federal Register** on January 24, 2001, this action temporarily delays for 60 days the effective date of certain portions of the final rule implementing the Atlantic Herring Fishery Management Plan published in the **Federal Register** on December 11, 2000.

DATES: In the final rule, published at 65 FR 77450, December 11, 2000, the effective date of 50 CFR 648.14(bb)(15) and (16) and 648.205(a) is delayed from March 12, 2001, until May 11, 2001.

FOR FURTHER INFORMATION CONTACT: E. Martin Jaffe, Fishery Policy Analyst, 978–281–9272.

SUPPLEMENTARY INFORMATION: The final rule published on December 11, 2000 (65 FR 77450), implemented approved measures contained in the FMP, which was partially approved by NMFS on behalf of the Secretary of Commerce on October 27, 1999. The requirement to install and use a VMS unit on vessels in the directed herring fishery that caught greater than 500 mt in the previous year, or vessels whose owner intends to harvest greater than 500 mt in the current year would have become effective March 12, 2001. Prohibitions related to this requirement were also scheduled to become effective on March 12. However, consistent with the guidance contained in the ''Regulatory Review Plan,'' NMFS is delaying the effectiveness of the VMS requirement until May 11. 2001. All other measures implemented in the final rule implementing the Atlantic Herring FMP published December 11, 2000, remain in effect.

Classification

This action is authorized by 50 CFR part 648 and is exempt from review under Executive Order 12866.

To the extent that 5 U.S.C. 553 applies to this action, it is exempt from notice and comment because it constitutes a rule of procedure under 5 U.S.C. 553(b)(A). Alternatively, NMFS' implementation of this rule without opportunity for public comment is based on the good cause exceptions in 5 U.S.C. 553(b)(B) and 553(d)(3), in that seeking public comment is impracticable, unnecessary, and contrary to the public interest. Given the imminence of the effective date, seeking prior public comment on this temporary stay would have been impractical, as well as contrary to the public interest in the orderly promulgation and implementation of regulations. Delays in publishing the final rule implementing the delay of the effectiveness while seeking public comment would have led to confusion in the fishing industry concerning whether to purchase and install VMS equipment during this interim period.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: February 21, 2001.

William T. Hogarth,

Acting Assistant Administrator for Fisheries, National Marine Fisheries Service.

[FR Doc. 01–4745 Filed 2–22–01; 3:12 pm]

BILLING CODE 3510–22–S

Proposed Rules

Federal Register
Vol. 66, No. 39
Tuesday, February 27, 2001

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.

NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

RIN 3150–AG72

List of Approved Spent Fuel Storage Casks: FuelSolutions™ Revision

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is proposing to amend its regulations revising the BNFL Fuel Solutions FuelSolutions™ cask system listing within the ''List of Approved Spent Fuel Storage Casks'' to include Amendment No. 1 to the Certificate of Compliance (CoC). Amendment No.1 will modify the present cask system design to permit the Big Rock Point nuclear facility to store mixed-oxide fuel assemblies, partial assemblies, and damaged fuel assemblies (in a can) under a general license.

DATES: Comments on the proposed rule must be received on or before March 29, 2001.

ADDRESSES: Submit comments to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, Attn: Rulemakings and Adjudications Staff.

Deliver comments to 11555 Rockville Pike, Rockville, MD, between 7:30 a.m. and 4:15 p.m. on Federal workdays.

Certain documents related to this rulemaking, as well as all public comments received on this rulemaking, may be viewed and downloaded electronically via the NRC's rulemaking website at *http://ruleforum.llnl.gov.* You may also provide comments via this website by uploading comments as files (any format) if your web browser supports that function. For information about the interactive rulemaking site, contact Ms. Carol Gallagher, (301) 415–5905; e-mail CAG@nrc.gov.

Certain documents related to this rule, including comments received by the NRC, may be examined at the NRC Public Document Room, 11555 Rockville Pike, Rockville, MD. For more information, contact the NRC Public Document Room (PDR) Reference staff at 1–800–397–4209, 301–415–4737 or by email to *pdr@nrc.gov*.

Documents created or received at the NRC after November 1, 1999 are also available electronically at the NRC's Public Electronic Reading Room on the Internet at *http://www.nrc.gov/NRC/ADAMS/index.html.* From this site, the public can gain entry into the NRC's Agencywide Documents Access and Management System (ADAMS), which provides text and image files of NRC's public documents. An electronic copy of the proposed CoC and preliminary safety evaluation report (SER) can be found under ADAMS Accession No(s). ML003770047.

FOR FURTHER INFORMATION CONTACT: Gordon Gundersen, telephone (301) 415–6195, e-mail, GEG1@nrc.gov of the Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

SUPPLEMENTARY INFORMATION: For additional information see the Direct Final Rule published in the final rules section of this **Federal Register**.

Procedural Background

This rule is limited to the changes contained in Amendment No. 1 to CoC No. 1026 and does not include other aspects of the FuelSolutions™ cask system design. The NRC is using the direct final rule procedure to promulgate this amendment because it represents a limited and routine change to an existing CoC that is expected to be noncontroversial. Adequate protection of public health and safety continues to be ensured. The NRC staff does not consider this amendment to be significant.

Because NRC considers this action noncontroversial and routine, we are publishing this proposed rule concurrently as a direct final rule. The direct final rule will become effective on May 14, 2001. However, if the NRC receives significant adverse comments on the direct final rule by March 29, 2001, then the NRC will publish a document to withdraw the direct final rule. A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without change. If the direct final rule is withdrawn, the NRC will address the comments received in response to the proposed revisions in a subsequent final rule. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period for this action.

List of Subjects In 10 CFR Part 72

Criminal penalties, 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. 10d–48b, sec. 7902, 10b Stat. 31b3 (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, 2244, (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. In § 72.214, Certificate of Compliance (CoC) 1026 is revised to read as follows:

§ 72.214 List of approved spent fuel storage casks.

* * * * *

Certificate Number: 1026.

Initial Certificate Effective Date: February 15, 2001.

Amendment Number 1 Effective Date: May 14, 2001.

SAR Submitted by: BNFL Fuel Solutions.

SAR Title: Final Safety Analysis Report for the FuelSolutions™ Spent Fuel Management System.

Docket Number: 72–1026.

Certificate Expiration Date: February 15, 2021.

Model Number: WSNF–200, WSNF–201, and WSNF–203 systems; W–150 storage cask, W–100 transfer cask; and the W–21 and W–74 canisters

* * * * *

Dated at Rockville, Maryland, this 8th day of February, 2001.

For the Nuclear Regulatory Commission.

William D. Travers,

Executive Director for Operations.

[FR Doc. 01–4766 Filed 2–26–01; 8:45 am]

BILLING CODE 7590–01–P

FEDERAL RESERVE SYSTEM

12 CFR Part 225

[Regulation Y; Docket No. R–1091]

Bank Holding Companies and Change in Bank Control

DEPARTMENT OF THE TREASURY

Office of the Under Secretary for Domestic Finance

12 CFR Part 1501

RIN 1505–AA84

Financial Subsidiaries

AGENCIES: Board of Governors of the Federal Reserve System and Department of the Treasury.

ACTION: Joint proposed rule; extension of comment period.

SUMMARY: On January 3, 2001, the Board of Governors of the Federal Reserve System and the Department of the Treasury (collectively, the ''Agencies'') published for public comment a joint proposal that would permit financial holding companies and financial subsidiaries of national banks to engage in real estate brokerage and real estate management. The Agencies are extending the comment period on the proposal.

DATES: Comments must be received by May 1, 2001.

ADDRESSES: Comments should refer to docket number R–1091 and should be mailed to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551 (or mailed electronically to *regs.comments@federalreserve.gov*) and to Real Estate Brokerage and Management Regulation, Office of Financial Institution Policy, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW., Room SC 37, Washington, DC 20220 (or mailed electronically to *financial.institutions@do.treas.gov).* Comments addressed to Ms. Johnson also may be delivered to the Board's mailroom between 8:45 a.m. and 5:15 p.m. and, outside those hours, to the Board's security control room. Both the mailroom and the security control room are accessible from the Eccles Building courtyard entrance, located on 20th Street between Constitution Avenue and C Street, NW. Members of the public may inspect comments in room MP–500 of the Martin Building between 9 a.m. and 5 p.m. on weekdays. Comments addressed to the Treasury Department may also be delivered to the Treasury Department mail room between the hours of 8:45 a.m. and 5:15 p.m. at the 15th Street entrance to the Treasury Building.

FOR FURTHER INFORMATION CONTACT:

Board of Governors: Scott G. Alvarez, Associate General Counsel (202/452–3583), or Mark E. Van Der Weide, Counsel (202/452–2263), Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, D.C. 20551.

Department of the Treasury: Gerry Hughes, Senior Financial Analyst (202/622–2740); Roberta K. McInerney, Assistant General Counsel (Banking and Finance) (202/622–0480); or Gary W. Sutton, Senior Banking Counsel (202/622–0480).

SUPPLEMENTARY INFORMATION: On January 3, 2001, the Agencies published a joint proposal to seek comment on whether to permit financial holding companies and financial subsidiaries of national banks to engage in real estate brokerage and real estate management (66 FR 307). The proposal stated that any comments on the proposal must be received by the Agencies by March 2, 2001.

In response to the solicitation of comments, the Agencies have received a substantial number of comments, including requests to extend the comment period. Given the wide public interest in the proposal and the desire of the Agencies to give the public sufficient time to consider the proposal, the Agencies have decided to extend the comment period on the proposal through May 1, 2001.

By order of the Board of Governors, February 21, 2001.

Jennifer J. Johnson,

Secretary of the Board.

Dated: February 20, 2001.

Donald V. Hammond,

Acting Under Secretary for Domestic Finance, Department of the Treasury.

[FR Doc. 01–4713 Filed 2–26–01; 8:45 am]

BILLING CODE 6210–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000–NE–35–AD]

RIN 2120–AA64

Airworthiness Directives; Pratt & Whitney JT9D–7R4 Series Turbofan Engines

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 Pratt & Whitney (PW) JT9D–7R4 series turbofan engines. This proposal would require initial and repetitive fluorescent penetrant inspection (FPI) of the high pressure turbine (HPT) 1st stage disk aft lugs, and if the aft lug(s) are cracked, replacement of the HPT 1st stage disk and HPT 1st stage airseals. Also, for certain configuration HPT disk assemblies, this proposal would require replacement of the HPT 1st stage airseals with newly designed airseals at the next accessibility. This proposal is prompted by reports of cracks in HPT 1st stage disk firtrees and failure of firtree lugs. The actions specified by the proposed AD are intended to prevent 1st stage HPT disk firtree fracture, which could result in an uncontained engine failure, and damage to the airplane.

DATES: Comments must be received by April 30, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000–NE–35–AD, 12 New England Executive Park, Burlington, MA 01803–5299. Comments may also be sent via the Internet using the following address: *9-ane-adcomment@faa.gov*. Comments sent via the Internet must contain the docket number in the subject line. Comments may be inspected at this location between 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule 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 FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA.

FOR FURTHER INFORMATION CONTACT: Peter White, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7128, fax (781) 238–7199.

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 action 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 action must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 2000–NE–35–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the FAA, New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000–NE–35–AD, 12 New England Executive Park, Burlington, MA 01803–5299.

Discussion

The FAA is aware of nine occurrences of HPT 1st stage disk firtree cracking, and one in-service event involving the failure of two adjacent firtree lugs installed on Pratt & Whitney JT9D–7R4 series turbofan engines, which resulted in the liberation of three HPT blades. Investigation and analysis have traced the cause of this disk lug cracking to the pre-bowing of the HPT aft 1st stage airseals. The pre-bow can place excessive stresses on the HPT 1st stage disk lugs that retain the airseals, and result in fatigue cracking of the lugs. The manufacturer has redesigned these HPT 1st stage airseals with revised pre-bow and reduced weight, to lower the stresses on the HPT 1st stage disk lugs. Onset of this fatigue cracking is dependent upon the HPT disk material; powder disks (P/N 787521) experience cracking much sooner than Waspalloy disks (P/N 797621). Therefore, the FAA has determined that the HPT 1st stage airseals on disk assemblies with powder disks (P/N 787521) must be replaced at the next hot section shop visit. PW and the FAA have developed a fleet management plan requiring initial and repetitive fluorescent penetrant inspection of the HPT 1st stage disk aft lug fillet radius for cracking, and replacement of the HPT 1st stage airseals at next HPT shop visit for engines configured with powder HPT 1st stage disk assembly (P/N 787521). The actions specified by the proposed AD are intended to prevent 1st stage HPT disk firtree fracture, which could result in an uncontained engine failure, and damage to the airplane.

Service Information

The FAA has reviewed the technical contents of Pratt & Whitney Service Bulletin (SB's): JT9D–7R4–72–566, dated May 26, 2000; JT9D–7R4–72–567, dated May 26, 2000 and JT9D–7R4–72–568, dated May 26, 2000, that describe procedures for incorporation of new HPT 1st stage airseals, fluorescent penetrant inspection (FPI) of HPT disk rear lugs, and incorporation of new HPT disks and redesigned HPT 1st stage airseals. These documents were developed by PW and are generally consistent with the fleet management plan defined in this AD, and can be utilized for reference.

Proposed Actions

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, this proposed AD would prevent HPT 1st stage disk firtree fracture by requiring initial and repetitive FPI of the 1st stage disk aft lug, and if cracked, replacement of the HPT 1st stage disk and HPT 1st stage airseals. In addition, the proposed AD would require replacement of HPT 1st stage airseals with redesigned HPT 1st stage airseals for certain HPT disk configurations.

Cost Analysis

There are approximately 324 engines of the affected design in the worldwide fleet. The FAA estimates that 47 engines installed on aircraft of U.S. registry would be affected by this proposed AD. Although forced engine removals are not anticipated the first year as a result of this proposed action, a maximum of two removals will be assumed. It would take approximately 86 work hours per engine to accomplish the proposed actions, and the average labor rate is $60 per work hour. Based on these figures, the total labor cost impact of the proposed AD on U.S. operators the first year is estimated to be $24,520. Hardware costs the first year for HPT 1st stage airseals replaced by SB JT9D–7R4–72–566 are estimated to be $128,000, based on replacement costs of $147,110 per disk and $45,143 for sideplates, discounted for average ⅓ life lost at removal. Total combined labor and hardware costs for the first year are therefore estimated to be $140,000

The following year, it is estimated that inspections will result in a maximum of three engines requiring forced replacement of the HPT 1st stage disk and HPT 1st stage airseals due to cracking. Due to these forced removals, approximately ⅓ of the disk life will be lost. The total combined hardware and labor cost is estimated to be approximately $210,000. The total cost impact of this proposal on U.S. operators in the first two years is expected to be approximately $350,000.

Regulatory Impact

This proposal does not have federalism implications, as defined in Executive Order 13132, because it would not have a substantial direct effect 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. Accordingly, the FAA has not consulted with state authorities prior to publication of this proposal.

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:

Pratt & Whitney: Docket No. 2000–NE–35–AD.

Applicability: This airworthiness directive (AD) is applicable to Pratt & Whitney (PW) JT9D–7R4E1, JT9D–7R4E4, JT9D–7R4G2, JT9D–7R4H1 series turbofan engines which incorporate HPT 1st stage disk assembly P/N 787521 or HPT 1st stage disk assembly P/N 797621. These engines are installed on but not limited to Boeing 747 and 767 series and Airbus A300 and A310 series airplanes.

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 (e) 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: Compliance with this AD is required as indicated, unless accomplished previously.

To prevent HPT disk firtree fracture, which could result in an uncontained engine failure, and damage to the airplane, accomplish the following:

HPT 1st Stage Airseal Replacement

(a) For engines that incorporate HPT 1st stage disk assembly P/N 787521, replace HPT 1st stage airseals with P/N 820121 at the next hot section shop visit. Information on replacement of the HPT 1st stage airseal is contained in PW service bulletin (SB) JT9D–7R4–72–566, dated May 26, 2000.

Fluorescent Penetrant Inspection (FPI)

(b) Inspect the HPT 1st stage disk aft lug fillet radius for cracks in accordance with Paragraph 4 of the Accomplishment Instructions of PW SB JT9D–7R4–72–567, dated May 26, 2000, and Table 1 of this AD as follows:

TABLE 1

HPT 1st stage disk assembly	HPT 1st stage disk	Initial inspection	Repetitive inspection interval
(1) P/N 787521	P/N 825701 or P/N 827201	Before the latest of 4,000 CSN or 4,000 cycles since last HPT disk lug fluorescent penetrant inspection (CSLI), or 500 CIS after the effective date of this AD.	Within 4,000 CSLI.
(2) P/N 797621	(i) P/N 829401 with air seals P/N's 797355, 796760, 803979, 797355–001 installed.	Before the latest of 5,000 CSN or CSLI, or 500 CIS after the effective date of this AD.	Within 4,000 CSLI.
	(ii) 829401 with air seals P/N 820121 installed	Before the latest of 5,000 CSN or 5,000 CSLI, or 500 CIS after the effective date of this AD.	Within 6,000 CSLI.

(c) Replace any disks that have crack indications. Information on replacement of the disk is contained in PW SB JT9D–7R4–72–568, dated May 26, 2000.

Terminating Action

(d) Installation of HPT disk P/N 820321 with redesigned HPT 1st stage airseal P/N 820121 is considered terminating action to the initial and repetitive inspection requirements of paragraph (b) this AD. Information on installation of the HPT disk is contained in PW SB JT9D–7R4–72–568, dated May 26, 2000.

Definition

(e) For the purpose of this AD, a hot section shop visit is defined as any time the HPT rotor is disassembled.

Alternative Methods of Compliance

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

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

Special Flight Permits

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

Issued in Burlington, Massachusetts, on February 19, 2001.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 01–4764 Filed 2–26–01; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000–NE–22–AD]

RIN 2120–AA64

Airworthiness Directives; General Electric Company (GE) CF34–1A, –3A, –3A1, –3A2, –3B, and –3B1 Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) that applies to GE CF34–1 and –3 series turbofan engines with No. 5 bearing rotating air seal part number (P/N) 4019T60G01 installed. This proposal would require initial and repetitive checks of the magnetic chip detector indicators, which are located in the lubrication system for the engine bearings, and installation of an improved No. 5 bearing rotating air seal as a terminating action. This proposal is prompted by a report of the failure of a No. 5 bearing rotating air seal that led to a fire in the cavity of the low pressure turbine (LPT), overtemperature of the LPT turbine disk, and excessive turbine disk growth. The FAA is proposing this AD to prevent No.5 bearing rotating air seal failures and possible uncontained engine failures.

DATES: The FAA must receive comments on this proposal by March 29, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000–NE–22–AD, 12 New England Executive Park, Burlington, MA 01803–5299. Comments may also be sent via the Internet using the following address: ''9-ane-adcomment@faa.gov''. Comments sent via the Internet must contain the docket number in the subject line. Comments may be inspected at this location between 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. The service information referenced in the proposed rule may be obtained from GEAE Technical Publications, Attention N. Hanna MZ340M2, 1000 Western Avenue, Lynn, MA 01910; telephone: 781 594–2906; fax: 781 594–0600. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA.

FOR FURTHER INFORMATION CONTACT: Eugene Triozzi, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington MA 01803–5299; telephone: 781 238–7148, fax: 781 238–7199.

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 to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before we take action on the proposed rule. The proposals contained in this action 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 sent 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 action must send a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 2000–NE–22–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the FAA, New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000–NE–22–AD, 12 New England Executive Park, Burlington, MA 01803–5299.

Discussion

The FAA was recently made aware of a CF34–3A1 turbofan engine that experienced an in-flight failure of the No. 5 bearing rotating air seal. The manufacturer's investigation revealed that the engine experienced spalling and wear of the No. 5 bearing roller bearing outer race. This caused the No. 5 bearing rotating air seal to rub and separate at the seal braze joint. The air seal failure resulted in a fire in the low pressure turbine cavity which caused the stage 3 low pressure turbine disk to overheat and grow excessively, resulting in an in-flight shutdown. The FAA has concluded that this failure sequence, under certain conditions, could progress further and result in a disk rupture and uncontained engine failure. This proposal would require initial and repetitive checks of magnetic chip detector indicators, which are located in the lubrication system for the engine bearings, in order to detect No. 5 bearing roller distress before air seal failure. Risk analyses of a potential disk rupture were conducted separately for CF34–3A1, –3B, and –3B1 engines, and for CF34–1A, –3A, and –3A2 engines, in consideration of differences in engine maintenance programs for different engine models. The FAA has determined that the repetitive check intervals in this proposed rule would result in acceptable levels of safety for each type of operation, provided that terminating actions are completed fleet-wide in accordance with the requirements of this AD. The installation of the modified design No. 5 bearing rotating air seal, P/N 4019T60G03, constitutes terminating action for the inspection requirements of this AD. This proposal is prompted by reports of one No. 5 bearing rotating air seal failure, and seven No. 5 bearing failures, that had the potential to lead to air seal failures. The actions specified by the proposed AD are intended to prevent No. 5 bearing rotating air seal failures and possible uncontained engine failures.

Proposed Actions

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require initial and repetitive checks of magnetic chip detector indicators, and installation of an improved No. 5 bearing rotating air seal as terminating action, to prevent No. 5 bearing rotating air seal failures and possible uncontained engine failures.

Economic Impact

There are about 1650 engines of the affected design in the worldwide fleet. The FAA estimates that 1075 engines installed on aircraft of U.S. registry would be affected by this proposed AD, that it would take about 0.5 work hours per engine to do the proposed checks, and that the average labor rate is $60 per work hour. Based on these figures, the total proposed AD cost impact on U.S. operators, for the initial check is estimated to be $32,250. In addition, the replacement air seal cost is approximately $2,400 per unit, so the total proposed material cost impact on

U.S. operators is estimated to be $2,580,000. No additional labor is required for air seal replacement, as this will occur during normal exposure at shop visit. Based on these figures, the total proposed AD cost impact on U.S. operators, is estimated to be $2,612,250.

Regulatory Impact

This proposal does not have federalism implications, as defined in Executive Order 13132, because it would not have a substantial direct effect 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. Accordingly, the FAA has not consulted with state authorities prior to publication of this proposal.

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:

General Electric Company: Docket No. 2000–NE–22–AD.

Applicability: This airworthiness directive (AD) is applicable to CF34–1A, –3A, –3A1, –3A2, –3B, and –3B1 turbofan engines with No. 5 bearing rotating air seal, part number (P/N) 4019T60G01 installed. These engines are installed on but not limited to Bombardier Inc. (Canadair) Model CL–600–2A12, Model CL–600–2B16, and Model CL–600–2B19, airplanes.

Note 1: This 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 (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: Compliance with this AD is required as indicated, unless accomplished previously.

To prevent No. 5 bearing rotating air seal failures and possible uncontained engine failures, accomplish the following:

Magnetic Chip Detector Indicator Check

(a) Check magnetic chip detector indicators in accordance with Table 1 as follows:

TABLE 1.—INITIAL AND REPETITIVE CHECKS

Engine model	Initial check within	Then within every:
(1) CF34–3A1, –3B1, and 3B	30 flight hours or 3 calendar days, whichever is greater, from effective date of this AD.	30 flight hours time-since-last-inspected (TSLI) or 3 calendar days TSLI, whichever is greater.
(2) CF34–1A, –3A, and –3A2	30 flight hours, from the effective date of this AD	100 flight hours TSLI.

Chip Detector Indicator Check, Authorization

(b) Notwithstanding section 43.3 of the Federal Aviation Regulations (14 CFR 43.3), the checks required by paragraph (a) of this AD may be performed by an aircrew member holding at least a private pilot certificate. Completion of the checks must be entered into the airplane records showing compliance with this AD, in accordance with sections 43.9 and 91.417(a)(2)(v) of the Federal Aviation Regulations (14 CFR 43.9 and 14 CFR 91.417(a)(2)(v)). The records must be maintained as required by the applicable Federal Aviation Regulation.

Detection of Chips

(c) If the magnetic chip detector indicator shows a white triangle or is illuminated, either condition indicates a chip detection. Remove the chip detector and disposition the chip, and the engine, using the engine maintenance manual procedures.

Replacement of Air Seal

(d) Remove No. 5 bearing rotating air seal P/N 4019T60G01, and replace with air seal P/N 4019T60G03, in accordance with Table 2 as follows:

TABLE 2.—COMPLIANCE TIMES FOR REPLACEMENT OF AIR SEAL

Engine model	Replace At
(1) CF34–3A1, –3B1, and –3B.	Next shop visit when HPT is exposed, but do not exceed 15,000 cycles-in-service after the effective date of this AD.
(2) CF34–1A, –3A, and –3A2.	Next 3000-hour hot section inspection or at next 6,000-hour overhaul, whichever occurs first, but not to exceed 3,000 hours time-in-service after the effective date of this AD.

Terminating Action

(e) Replacement of air seal P/N 4019T60G01 with air seal P/N 4019T60G03 constitutes terminating action for the repetitive inspection requirements specified in paragraph (a) of this AD.

Alternative Methods of Compliance

(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, Engine Certification Office (ECO). Operators shall submit their request through an appropriate Federal Aviation Administration (FAA) Principal Maintenance Inspector, who may add comments and then send it to the Manager, ECO.

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

Issued in Burlington, Massachusetts, on February 20, 2001.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 01–4763 Filed 2–26–01; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–107101–00]

RIN 1545–AY13

Treaty Guidance Regarding Payments With Respect to Domestic Reverse Hybrid Entities

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains proposed regulations under section 894 of the Internal Revenue Code relating to the eligibility for treaty benefits of items of income paid by domestic entities that are not fiscally transparent under U.S. law but are fiscally transparent under the laws of the jurisdiction of the person claiming treaty benefits (a domestic reverse hybrid entity). The proposed regulations affect the determination of tax treaty benefits with respect to U.S. source income of foreign persons. This document also provides notice of a public hearing on these proposed regulations.

DATES: Written or electronic comments must be received by May 29, 2001. Requests to speak (with outlines of oral comments to be discussed) at the public hearing scheduled for June 26, 2001, at 10 a.m., must be submitted by June 5, 2001.

ADDRESSES: Send submissions to: CC:M&SP:RU (REG–107101–00), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to: CC:M&SP:RU (REG–107101–00), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit comments electronically via the Internet by selecting the ''Tax Regs'' option on the IRS Home Page, or by submitting comments directly to the IRS Internet site at *http://www.irs.gov/tax_regs/regslist.html*. The public hearing will be held in the auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, Elizabeth U. Karzon or Karen Rennie-Quarrie at (202) 622–3880; concerning submissions and the hearing, Guy R. Traynor at (202) 622–7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

On June 30, 1997, the IRS and Treasury issued temporary regulations (TD 8722 [1997–2 C.B. 81]) in the **Federal Register** (62 FR 35673, as corrected at 62 FR 46876, 46877) under section 894 of the Internal Revenue Code relating to eligibility for benefits under income tax treaties for payments to certain entities. These regulations addressed, among other matters, the eligibility for treaty benefits of U.S. source payments made to domestic reverse hybrid entities, concluding that treaty benefits were not available for such payments. A notice of proposed rulemaking (1997–2 C.B. 646) cross-referencing the temporary regulations was also published in the same issue of the **Federal Register** (62 FR 35755). On July 3, 2000, the IRS and Treasury issued final regulations (TD 8889), reaffirming the position taken in the temporary regulations with respect to payments made to domestic reverse hybrid entities. The final regulations, however, did not address the question of whether payments made by domestic reverse hybrid entities to their interest holders are eligible for treaty benefits. Section 1.894–1(d)(2)(ii) was reserved for further guidance on that issue.

Explanation of Provisions

These proposed regulations provide guidance with respect to the previously reserved paragraph. They provide rules on the character of such payments for treaty purposes and the extent to which such payments are eligible for a reduced rate of U.S. tax under a U.S. income tax treaty. The use of domestic reverse hybrid entities may give rise to inappropriate and unintended results under income tax treaties, such as double non-taxation or double taxation, unless the income tax treaties are interpreted to resolve the conflict of laws. These regulations provide guidance regarding how to apply U.S. income tax treaties under these circumstances.

Section 1.894–1T(d)(3) provided guidance on the appropriate treatment of items of income paid to a domestic reverse hybrid entity. That section provided that § 1.894–1T(d)(1) may not be applied to reduce the amount of Federal income tax on U.S. source income received by a domestic reverse hybrid entity through application of an income tax treaty. Thus, neither the domestic reverse hybrid entity nor its interest holders could claim a reduction under an income tax treaty with respect to a payment to a domestic reverse hybrid entity, notwithstanding that the interest holder might otherwise derive the income as a resident of a treaty jurisdiction under § 1.894–1T(d)(1). The rationale for the rule was the U.S. tax treaty principle that the United States retains taxing jurisdiction over items of U.S. source income paid to its residents. The final regulations published in the **Federal Register** on July 3, 2000, retain the rule that a domestic reverse hybrid entity remains subject to the taxing jurisdiction of the United States on U.S. source payments, but reserve with respect to the treatment of payments made by domestic reverse hybrid entities.

Commentators on the previously issued temporary and proposed regulations noted that it was unclear how items of income paid by a domestic reverse hybrid entity to its interest holders should be treated. In particular, the general rule contained in § 1.894–1T(d)(1) required the item of income to be ''received by'' a person resident in a treaty jurisdiction and for that item of income to be ''subject to tax'' in the hands of the person deriving the item of income. Commentators expressed concern that an item of income paid by a domestic reverse hybrid entity could be viewed as neither ''received by'' the interest holder nor ''subject to tax'' because the interest holder's jurisdiction treats the domestic reverse hybrid entity as fiscally transparent. The interest holder's jurisdiction views the interest holder as ''receiving'' the items of income paid to the domestic reverse hybrid entity and as being ''subject to tax'' on those items of income on an immediate basis. The interest holder's jurisdiction does not recognize the items of income paid by the domestic reverse hybrid entity to the interest holder. Based on this analysis, commentators questioned whether the items of income paid by the domestic reverse hybrid entity to an interest holder in that entity would be subject to a 30-percent tax under the Code. The IRS and Treasury believe similar questions may also arise under the recently issued final regulations.

Accordingly, these proposed regulations provide rules on the treatment of payments made by domestic reverse hybrid entities. Paragraph (d)(2)(ii) of this section provides a general rule that an item of income paid by a domestic reverse hybrid entity to an interest holder shall be characterized under U.S. tax law. This means that U.S. tax principles are first applied to characterize the item of income paid by the domestic reverse hybrid entity to the interest holder for purposes of applying an applicable income tax treaty provision. Once the item of income is so characterized, it is

necessary to determine if the interest holder derives the item of income. In determining whether the interest holder derives the item of income, paragraph (d)(2)(ii)(A) of this section provides a special rule for determining whether the interest holder is fiscally transparent with respect to the item of income. Under that rule, whether the interest holder is fiscally transparent with respect to the item of income for purposes of § 1.894–1(d)(3)(ii) is made based on the treatment that would have resulted had the item of income been paid by an entity that was not fiscally transparent under the laws of the interest holder's jurisdiction with respect to any item of income. Accordingly, if the interest holder is not fiscally transparent, then it will be considered to have derived the item of income, even if, for example, the item of income were characterized differently or treated as received at an earlier date under the laws of the interest holder's jurisdiction than the item of income paid by the domestic reverse hybrid entity.

The IRS and Treasury have learned, however, that domestic reverse hybrid entities are being established by related parties to manipulate differences in U.S. and foreign entity classification rules to reduce inappropriately the amount of tax imposed on items of income paid from the United States to related foreign interest holders. In a typical scenario, a foreign investor, resident in a treaty jurisdiction, establishes a domestic reverse hybrid holding company with a combination of debt and equity contributions. The domestic reverse hybrid entity holds the stock of a wholly-owned U.S. operating company. The operating company pays a dividend to the domestic reverse hybrid entity, but the domestic reverse hybrid entity primarily pays interest to its foreign owner within the earning stripping limits of section 163(j). The foreign jurisdiction views the foreign owner as receiving dividends, but the United States views the domestic reverse hybrid entity as receiving the dividends and making deductible interest payments. In circumstances when the income tax treaty between the United States and the applicable foreign jurisdiction applies a zero withholding rate on interest and a 5-percent rate on related party dividends, the domestic reverse hybrid entity treats its payment to the foreign owner as an interest payment and the foreign owner avoids the withholding tax on the dividends that its jurisdiction treats it as receiving. In addition, the domestic reverse hybrid entity receives the benefit of an interest deduction in the United States while the foreign interest holder receives either a tax credit or exclusion on the dividend amount in its jurisdiction.

The IRS and Treasury believe that it is inappropriate for related parties to use domestic reverse hybrid entities for the purpose of converting higher taxed U.S. source items of income to lower taxed, or untaxed, U.S. source items of income. To do so defeats the expectation of the United States and its treaty partners that treaties should be used to reduce or eliminate double taxation for legitimate transactions, not to reward the manipulation of inconsistencies in the laws of the treaty partners. The legislative history of section 894(c) supports this analysis. Congress specifically expressed its concern about the potential tax avoidance opportunities available for foreign persons that invest in the United States through hybrid entities that are designed to avoid both U.S. and foreign income taxes. See H.R. Conf. Rep. No 220, 105th Cong, 1st Sess. 573 (1997); Joint Committee on Taxation, 105th Cong., 1st Sess., General Explanation of Tax Legislation Enacted in 1997 (JCS–23–97), at 249 (December 17, 1997). The approach contained in § 1.894–1(d)(2), as revised, is also consistent with the general tax treaty principle that contracting states may adopt provisions in their domestic laws to counter structures and transactions intended to take advantage of the differences in the tax laws of the contracting states. See Commentaries to Article 1 of The 1998 OECD Model Tax Convention on Income and Capital; S. Rep. No. 445, 100th Cong. 2d Sess. 322–23 (1988).

The IRS and Treasury are further concerned by the ability of foreign acquiring entities to obtain tax advantaged financing through domestic reverse hybrid entities by exploiting differences between U.S. and foreign law. Such financing unfairly disadvantages similarly situated U.S. domestic acquiring entities. Congress has expressed concern about the use of analogous hybridized structures that were effected to provide foreign acquiring entities with tax advantaged acquisition financing not available to similarly situated domestic companies. See Joint Committee on Taxation, 100th Congress, 1st Sess., General Explanation of the Tax Reform Act of 1986 (JCS–10–87), at 1064, 1065 (May 4, 1987).

For these reasons, the proposed regulations provide a special rule in paragraph (d)(2)(ii)(B) of the regulations, such that if: (1) a domestic entity makes a payment to a related domestic reverse hybrid entity that is considered to be a dividend either under the laws of the United States or under the laws of the jurisdiction of a related foreign interest holder in the domestic reverse hybrid entity, and the related foreign interest holder is treated as deriving its proportionate share of the payment to the domestic reverse hybrid entity under the laws of the related foreign interest holder's jurisdiction; and (2) the domestic reverse hybrid entity makes a payment to the related foreign interest holder of a type that is deductible for U.S. tax purposes and for which a reduction in the U.S. withholding tax rate would be allowed under the general rule, but for this exception, then to the extent the amount of the payment by the domestic reverse hybrid entity to the related foreign interest holder does not exceed the total amount of the interest holder's proportionate share of any payments by the domestic entity to the domestic reverse hybrid entity treated as dividends under either jurisdiction's laws, the payment by the domestic reverse hybrid entity shall be treated as a dividend for all purposes of the Code and the applicable income tax treaty.

For purposes of determining the amount of the payment from the domestic reverse hybrid entity to the related foreign interest holder to be recharacterized as a dividend, the portion of the payments treated as derived by the related foreign interest holder shall be reduced by the amount of any prior actual dividend payments, under U.S. law, made by the domestic reverse hybrid entity to the related foreign interest holder and by the amount of any payments from the domestic reverse hybrid entity to the related foreign interest holder previously recharacterized under this special rule. The tax withheld from the payment from the domestic reverse hybrid entity to the related foreign interest holder shall be determined based on the appropriate rate of withholding that would be applicable to dividends paid by the domestic reverse hybrid entity to the related foreign interest holder under the U.S. treaty with the related foreign interest holder's jurisdiction had that jurisdiction viewed the domestic reverse hybrid entity as not fiscally transparent. Because any payment subject to the provisions of this special rule is treated as a dividend for all purposes of the Code and the applicable treaty, the domestic reverse hybrid entity will not be able to claim a deduction on the payment to the related foreign interest holder.

The regulations provide an 80% ownership test to determine if the parties are related to one another and a special rule that treats accommodation parties as related foreign interest

holders. The foregoing rules also apply to recharacterize payments when more than one domestic reverse hybrid entity or other fiscally transparent entity is involved.

The proposed regulations further provide that a taxpayer may not affirmatively use the rules of paragraph (d)(2) of this section if a principal purpose for using such rules is the avoidance of any tax imposed by the Code. Thus, with respect to such a taxpayer, the Commissioner may depart from the rules of this section and recharacterize (for all purposes of the Code) the arrangement in accordance with its form or its economic substance. The regulations further provide that, if a taxpayer enters into an arrangement the effect of which is to circumvent the principles of this paragraph (d)(2), the Commissioner may recharacterize (for all purposes of the Code) the arrangement in accordance with the principles of this paragraph (d)(2).

Comments are requested on potential rules with respect to transaction when the domestic reverse hybrid entity is sold to unrelated parties who later receive distributions.

Proposed Effective Dates

These proposed regulations apply to items of income paid by a domestic reverse hybrid entity on or after the date these regulations are published as final regulations in the **Federal Register** with respect to amounts received by the domestic reverse hybrid entity on or after the date these regulations are published as final regulations in the **Federal Register**. No inference is intended as to the treatment of transactions entered into prior to the date of applicability of the final regulations.

Special Analysis

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations and, because these regulations do not impose on small entities a collection of information requirement, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Therefore, a Regulatory Flexibility Analysis is not required. Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written comments (preferably a signed original and eight (8) copies) that are submitted timely to the IRS. The IRS and Treasury Department specifically request comments on the clarity of the proposed regulations and how they can be made easier to understand. All comments will be available for public inspection and copying.

A public hearing has been scheduled for June 26, 2001, at 10 a.m. in the auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC. Because of access restriction, visitors will not be admitted beyond the Internal Revenue Building lobby more than 15 minutes before the hearing starts.

The rules of 26 CFR 601.601(a)(3) apply to the hearing.

Persons that wish to present oral comments at the hearing must submit written comments by May 29, 2001, and submit an outline of the topics to be discussed and the time to be devoted to each topic (preferably a signed original and eight (8) copies) by June 5, 2001.

A period of 10 minutes will be allotted to each person for making comments.

An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing.

Drafting Information

The principal author of these regulations is Shawn R. Pringle of the Office of the Associate Chief Counsel (International). However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirments.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

PART 1—INCOME TAXES

Paragraph 1. The authority for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

Par. 2. In § 1.894–1, paragraph (d)(2)(ii) is revised and paragraphs (d)(2)(iii) and (d)(2)(iv) are added to read as follows:

§ 1.894–1 Income affected by treaty.

* * * * *

(d) * * *

(2) * * *

(ii) *Payments by domestic reverse hybrid entities*—(A) *General rule.* Except as otherwise provided in paragraph (d)(2)(ii)(B) of this section, an item of income paid by a domestic reverse hybrid entity to an interest holder in such entity shall have the character of such item of income under U.S. law and shall be considered to be derived by the interest holder, provided the interest holder is not fiscally transparent in its jurisdiction, as defined in paragraph (d)(3)(iii) of this section, with respect to the item of income. In determining whether the interest holder is fiscally transparent with respect to the item of income under this paragraph (d)(2)(ii)(A), the determination under paragraph (d)(3)(ii) of this section shall be made based on the treatment that would have resulted had the item of income been paid by an entity that is not fiscally transparent under the laws of the interest holder's jurisdiction with respect to any item of income.

(B) *Payment made to related foreign interest holder—(1) General rule.* If—

(*i*) A domestic entity makes a payment to a related domestic reverse hybrid entity that is treated as a dividend under either the laws of the United States or the laws of the jurisdiction of a related foreign interest holder in the domestic reverse hybrid entity, and under the laws of the jurisdiction of the related foreign interest holder in the domestic reverse hybrid entity, the related foreign interest holder is treated as deriving its proportionate share of the payment under the principles of paragraph (d)(1) of this section; and

(*ii*) The domestic reverse hybrid entity makes a payment of a type that is deductible for U.S. tax purposes to the related foreign interest holder and for which a reduction in the U.S. withholding tax rate would be allowed under paragraph (d)(2)(ii)(A) of this section but for this paragraph (d)(2)(ii)(B); then

(*iii*) To the extent the amount of the payment described in paragraph (d)(2)(ii)(B)(*1*)(*ii*) of this section does not exceed the sum of the portion of the payment described in paragraph (d)(2)(ii)(B)(*1*)(*i*) of this section treated as derived by the related foreign interest holder and the portion of any other prior payments described in paragraph (d)(2)(ii)(B)(*1*)(*i*) of this section treated as derived by the related foreign interest holder, the amount of the payment described in (d)(2)(ii)(B)(*1*)(*ii*) of this section will be treated for all purposes

of the Internal Revenue Code and the applicable income tax treaty as a dividend, and the tax to be withheld from the payment described in paragraph (d)(2)(ii)(B)(*1*)(*ii*) of this section shall be determined based on the appropriate rate of withholding that would be applicable to dividends paid from the domestic reverse hybrid entity to the related foreign interest holder under the U.S. treaty with the related foreign interest holder's jurisdiction had that jurisdiction viewed the domestic reverse hybrid entity as not fiscally transparent; and

(*iv*) For purposes of determining the amount to be recharacterized under paragraph (d)(2)(ii)(B)(*1*)(*iii*) of this section, the portion of the payments described in paragraph (d)(2)(ii)(B)(*1*)(*i*) of this section treated as derived by the related foreign interest holder shall be reduced by the amount of any prior actual dividend payments made by the domestic reverse hybrid entity to the related foreign interest holder and by the amount of any payments from the domestic reverse hybrid entity to the related foreign interest holder previously rechacterized under paragraph (d)(2)(ii)(B)(*1*)(*iii*) of this section.

(*2*) *Tiered entities.* The principles of this paragraph (d)(2)(ii)(B) shall also apply to payments referred to in this paragraph (d)(2)(ii)(B) made among related entities when there is more than one domestic reverse hybrid entity or other fiscally transparent entities involved.

(*3*) *Definition of related.* Related shall mean any entity satisfying the ownership requirements of section 267(b) or 707(b)(1), except that 80 percent shall be substituted for 50 percent. For purposes of determining whether a person is related to another person, the constructive ownership rules of section 318 shall apply, and the attribution rules of section 267(c) also shall apply to the extent they attribute ownership to persons to whom section 318 does not attribute ownership. If a person enters into a transaction (or series of transactions) with the domestic reverse hybrid entity, its related interest holders, or its related entities, and the effect of the transaction (or series of transaction) is to avoid the principles of this paragraph (d)(2)(ii)(B), then that person shall be treated as related to the domestic reverse hybrid entity for purposes of this section.

(C) *Commissioner's discretion.* The Commissioner may, as the Commissioner determines to be appropriate, recharacterize for all purposes of the Internal Revenue Code all or part of any transaction (or series of transactions) between related parties if the effect of the transaction (or series of transactions) is to avoid the principles of this paragraph (d)(2).

(iii) *Examples.* The rules of this paragraph (d)(2) are illustrated by the following examples:

Example 1. Treatment of payment by unrelated entity to domestic reverse hybrid entity. (i) *Facts.* Entity A is a domestic reverse hybrid entity, as defined in paragraph (d)(2)(i) of this section, with respect to the U.S. source dividends it receives from B, a domestic corporation to which A is not related, within the meaning of paragraph (d)(2)(ii)(B)(*3*) of this section. A's 85-percent shareholder FC is a corporation organized under the laws of Country X, which has an income tax treaty in effect with the United States. Under Country X law, FC is not fiscally transparent with respect to the dividend, as defined in paragraph (d)(3)(ii) of this section. In year 1, A receives a $100 of dividend income from B. Under Country X law, FC is treated as deriving $85 of the $100 dividend payment received by A. The applicable rate of tax on dividends under the U.S.-Country X income tax treaty is 5 percent with respect to a 10-percent or more corporate shareholder.

(ii) *Analysis.* Under paragraph (d)(2)(i) of this section, the U.S.-Country X income tax treaty does not apply to the dividend income received by A because the income is paid by B, a domestic corporation, to A, another domestic corporation. A remains fully taxable under the U.S. tax laws as a domestic corporation with regard to that item of income. Further, pursuant to paragraph (d)(2)(i) of this section, notwithstanding the fact that under the laws of Country X A is treated as fiscally transparent with respect to the dividend income, FC may not claim a reduced rate of taxation on its share of the U.S. source dividend income received by A.

Example 2. Treatment of payment by domestic reverse hybrid entity to related foreign interest holder involving unrelated party. (i) *Facts.* The facts are the same as in *Example 1.* Both the United States and Country X characterize the payment by B in year 1 as a dividend. In addition, in year 2, A makes a payment of $25 to FC that is characterized under U.S. tax laws as an interest payment to FC on a loan from FC to A. Under the U.S.-Country X income tax treaty, the rate of tax on interest is zero. Under Country X laws, had the interest been paid by an entity that is not fiscally transparent under Country X's laws with respect to any item of income, FC would not be fiscally transparent as defined in paragraph (d)(2)(ii) of this section with respect to the interest.

(ii) *Analysis.* The analysis is the same as in *Example 1* with respect to the $100 payment from B to A. With respect to the $25 payment from A to FC, paragraph (d)(2)(ii)(B) of this section will not apply because, although FC is related to A, A is not related to the payor of the dividend income it received. Under paragraph (d)(2)(ii)(A) of this section, the $25 interest income paid from A to FC in year 2 will be characterized under U.S. law as interest . Accordingly, in year 2, FC may obtain the reduced rate of withholding applicable to interest under the U.S.-Country X income tax treaty, assuming all other requirements for claiming treaty benefits are met.

Example 3. Treatment of payment by domestic reverse hybrid entity to related foreign interest holder. (i) *Facts.* The facts are the same as in *Example 2,* except the $100 dividend income received by A in year 1 is from A's wholly owned subsidiary S.

(ii) *Analysis.* The analysis is the same as in *Example 1* with respect to the $100 dividend payment from S to A. However, the $25 interest payment in year 2 by A to FC will be treated as a dividend for all purposes of the Internal Revenue Code and the U.S.-Country X income tax treaty because $25 does not exceed FC's share of the $100 dividend payment made by S to A ($85). Since FC is not fiscally transparent with respect to the payment as determined under paragraph (d)(2)(ii)(A) of this section, FC will be entitled to obtain the reduced rate applicable to dividends under the U.S.-Country X income tax treaty with respect to the $25 payment. Because the $25 payment in year 2 is recharacterized as a dividend for all purposes of the Internal Revenue Code and the U.S.-Country X income tax treaty, A would not be entitled to an interest deduction with respect to that payment and FC would not be entitled to claim the reduced rate of withholding applicable to interest.

(iv) *Effective date.* This paragraph (d)(2) applies to items of income paid by a domestic reverse hybrid entity on or after the date these regulations are published as final regulations in the **Federal Register** with respect to amounts received by the domestic reverse hybrid entity on or after the date these regulations are published as final regulations in the **Federal Register**.

* * * * *

Robert E Wenzel,

Deputy Commissioner of Internal Revenue.

[FR Doc. 01–1687 Filed 2–26–01; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–106702–00]

RIN 1545–AX94

Determination of Basis of Partner's Interest; Special Rules; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains corrections to REG–106702–00 which

was published in the **Federal Register** on Wednesday, January 3, 2001 (66 FR 315). These regulations relate to special rules on determination of basis of partner's interest under section 705 of the Internal Revenue Code.

FOR FURTHER INFORMATION CONTACT: Barbara MacMillan, (202) 622–3050 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking that is the subject of these corrections is under section 705 of the Internal Revenue Code.

Need for Correction

As published, REG–106702–00 contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking (REG–106702–00), which is the subject of FR Doc. 01–32189, is corrected as follows:

1. On page 315, column 2, in the preamble, under the caption **DATES:**, last line, the language ''must be received by April 3, 2001'' is corrected to read ''must be received by April 12, 2001''.

2. On page 316, column 3, in the preamble under the paragraph heading ''Comments and Public Hearing'', first full paragraph in the column, last line, the language ''April 3, 2001.'' is corrected to read April 12, 2001.''.

§ 1.705–2 [Corrected]

3. On page 317, column 2, § 1.705–2(b)(2), paragraph (ii) of the *Example*, line 1 the language ''Normally, X would be entitled to a $40'' is corrected to read ''Normally, X would be entitled to a $40,000''.

4. On page 318, column 3, § 1.705–2(c)(2), paragraph (vi) of *Example 2*, line 19 the language ''The amount of UTP's gain'' is corrected to read ''The amount of LTP's gain''.

Cynthia Grigsby,

Chief, Regulations Unit, Office of Special Counsel (Modernization & Strategic Planning).

[FR Doc. 01–4671 Filed 2–26–01; 8:45 am]

BILLING CODE 4830–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[DA 01–349; MM Docket No. 01–37; RM–10065]

Radio Broadcasting Services (Houston, Anchorage, Alaska)

AGENCY: Federal Communications Commission.

ACTION: Proposed rule. Order to Show Cause.

SUMMARY: The Commission requests comment on a petition for rulemaking filed by Chester P. Coleman, licensee of Station KADX(FM), Houston, Alaska, proposing the substitution of Channel 234C1 for Channel 234C2 at Houston, Alaska, and the modification of Station KADX's license to reflect the change. To accommodate the change the petition also proposes the substitution of Channel 286C1 for Channel 287C1 at Anchorage, Alaska, and the modification of the license of Station KNIK–FM, Anchorage, to specify the new channel. Ubix Corporation, licensee of Station KNIK–FM, is ordered to show cause why Channel 286C1 should not be substituted for Channel 287C1 at Houston, and must respond by the comment deadline specified below. Channel 234C1 can be allotted at Houston in compliance with the Commission's minimum distance separation requirements, with respect to domestic allotments, at a site 17.2 kilometers (10.7 miles) south of the community at coordinates 61–29–03 NL and 149–45–52 WL. Channel 286C1 can be allotted at Anchorage, Alaska, at Station KNIK-FM's licensed site 2.8 kilometers (1.8 miles) south of the community at coordinates 61–11–33 NL and 149–54–01 WL.

DATES: Comments must be filed on or before April 2, 2001, and reply comments must be filed on or before April 17, 2001.

FOR FURTHER INFORMATION CONTACT: Victoria M. McCauley, Mass Media Bureau, (202) 418–2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 01–37, adopted January 31, 2001, and released February 9, 2001. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 445 12th Street, SW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Services, Inc., (202) 857–3800, 1231 20th Street, NW., Washington, DC 20036.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Part 73 of Title 47 of the Code of Federal Regulations is amended as follows:

PART 73—[AMENDED]

1. The authority citation for Part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303, 334 and 336.

§ 73.202 [Amended]

2. Section 73.202(b), the Table of FM Allotments under Alaska is amended by removing Channel 234C2 and adding 234C1 at Houston, and by removing Channel 287C1 and adding Channel 286C1 at Anchorage.

Federal Communications Commission.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 01–4727 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–U

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[DA 01–335; MM Docket No. 01–35; RM–10054]

Radio Broadcasting Services; Young Harris, GA

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Commission requests comments on a petition for rule making filed by M. Terry Carter and Douglas Sutton, Jr. d/b/a/ Tugart Communications seeking the allotment of Channel 236A to Young Harris, GA, as its first local aural service. Channel 236A can be allotted to Young Harris in compliance with the Commission's minimum distance separation requirements without the imposition of a site restriction, at coordinates 34–56–00 NL; 83–50–54 WL.

DATES: Comments must be filed on or before April 2, 2001, and reply comments on or before April 17, 2001.

ADDRESSES: Secretary, Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, as follows: John F. Garziglia, Pepper & Corazzini, LLP, 1776 K Street,

NW., Suite 200, Washington, DC 20006–2334 (Counsel to petitioner).

FOR FURTHER INFORMATION CONTACT: Leslie K. Shapiro, Mass Media Bureau, (202) 418–2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 01–35; adopted January 31, 2001 and released February 9, 2001. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Reference Information Center (Room CY–A257), 445 12th Street, SW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., (202) 857–3800, 1231 20th Street, NW., Washington, DC 20036.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR part 73 as follows:

PART 73—RADIO BROADCAST SERVICES

1. The authority citation for part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303, 334 and 336.

§ 73.202 [Amended]

2. Section 73.202(b), the Table of FM Allotments under Georgia, is amended by adding Young Harris, Channel 236A.

Federal Communications Commission.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 01–4728 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–U

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[DA 01–334; MM Docket No. 00–210; RM–9979]

Radio Broadcasting Services; Sonoita, AZ

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; dismissal.

SUMMARY: This document dismisses a petition filed on behalf of Santa Cruz Broadcasting proposing the allotment of FM Channel 263A to Sonoita, Arizona, as that locality's first local aural transmission service. Petitioner withdrew its interest in pursuing the proposal. *See* 65 FR 67690, November 13, 2000.

ADDRESSES: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Nancy Joyner, Mass Media Bureau, (202) 418–2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's *Report and Order,* MM Docket No. 00–210, adopted January 31, 2001, and released February 9, 2001. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC's Reference Information Center (Room CY–A257), 445 Twelfth Street, SW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, NW., Washington, DC 20036, (202) 857–3800.

Federal Communications Commission.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 01–4729 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–U

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

RIN 1018–AG38

Endangered and Threatened Wildlife and Plants; Reopening of Public Comment Period and Notice of Availability of Draft Economic Analysis for Proposed Critical Habitat Determination for the Spruce-Fir Moss Spider; Correction

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule; notice of reopening of public comment period and availability of draft economic analysis; correction.

SUMMARY: We, the Fish and Wildlife Service, announced on February 12, 2001, the availability of the draft economic analysis for the proposed designation of critical habitat for the spruce-fir moss spider (*Microhexura montivaga*). We also provided notice that the public comment period for the proposal is reopened to allow all interested parties to submit written comments on the proposal and the draft economic analysis. However, the proposed rule incorrectly stated that comments would be accepted until April 13, 2001. The close of comment period should be March 14, 2001.

DATES: We will accept comments on the proposal and the draft economic analysis until March 14, 2001.

ADDRESSES: Copies of the draft economic analysis are available on the Internet at *http://southeast.fws.gov/hotissues/hot_index.html* or by writing to or calling the State Supervisor, Asheville Field Office, U.S. Fish and Wildlife Service, 160 Zillicoa Street, Asheville, North Carolina 28801; telephone 828/258–3939.

If you wish to comment, you may submit your comments by any one of several methods:

1. You may submit written comments and information to the State Supervisor, Asheville Field Office, U.S. Fish and Wildlife Service, 160 Zillicoa Street, Asheville, North Carolina 28801.

2. You may hand-deliver written comments to our Asheville Field Office, at the above address or fax your comments to 828/258–5330.

3. You may send comments by electronic mail (e-mail) to john_fridell@fws.gov. For directions on how to submit electronic filing of comments, see the ''Public Comments Solicited'' section.

Comments and materials received, as well as supporting documentation used in preparation of this proposed rule, will be available for public inspection, by appointment, during normal business hours at the above address.

FOR FURTHER INFORMATION CONTACT: John A. Fridell, Fish and Wildlife Biologist (see **ADDRESSES** section).

SUPPLEMENTARY INFORMATION: On February 12, 2001, we published a proposed rule in the **Federal Register** announcing the reopening of the public comment period and notice of availability of draft economic analysis for the proposed critical habitat determination for the spruce-fir moss spider. The **DATES** caption stated that comments should be submitted on or before April 13, 2001. The correct date for accepting comments from all interested parties is on or before March 14, 2001.

Accordingly, make the following correction to FR Doc. 01–2270 published at 66 FR 9806, on February 12, 2001:

On page 9807, in column one, correct the **DATES** caption to read as follows:

DATES: Interested parties must submit comments on or before March 14, 2001.

Dated: February 14, 2001.

Sam D. Hamilton,

Regional Director, Fish and Wildlife Service.

[FR Doc. 01–4718 Filed 2–26–01; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 600

[I.D. 021501A]

Magnuson-Stevens Act Provisions; General Provisions for Domestic Fisheries; Application for Exempted Fishing Permits (EFPs)

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notification of a proposal for EFPs to conduct experimental fishing; request for comments.

SUMMARY: NMFS announces that the Administrator, Northeast Region, NMFS (Regional Administrator), has made a preliminary determination to issue an EFP that would allow one vessel to conduct fishing operations otherwise restricted by the regulations governing the fisheries of the Northeastern United States. The Haskin Shellfish Research Laboratory submitted a complete application for the issuance of an EFP to one commercial fishing vessel. The EFP would allow one federally permitted vessel to conduct side-by-side tows with the R/V *Albatross* using a 6-cm codend mesh. No species will be targeted by the study, since the vessel will be following the random survey protocol used by the R/V *Albatross*. However, the nets will be fished to maximize the catch of summer flounder, scup and black sea bass on Leg I, and silver hake on Leg II. The purpose of this study is to provide information on the relative catchability of the two platforms and gears fished during the NMFS Spring Trawl Survey. Regulations under the Magnuson-Stevens Fishery Conservation and Management Act require publication of this notification to provide interested parties the opportunity to comment on applications for proposed EFPs.

DATES: Comments on this notice must be received at the appropriate address or fax number (see **ADDRESSES**) on or before March 14, 2001.

ADDRESSES: Written comments should be sent to Patricia Kurkul, Regional Administrator, NMFS, Northeast Regional Office, 1 Blackburn Drive, Gloucester, MA 01930. Mark the outside of the envelope ''Comments on EFP Proposal.'' Comments may also be sent via facsimile (fax) to (978) 281–9135. Comments will not be accepted if submitted via e-mail or Internet.

FOR FURTHER INFORMATION CONTACT: Allison Ferreira, Fishery Management Specialist, 978–281–9103.

SUPPLEMENTARY INFORMATION: The Haskin Shellfish Research Laboratory submitted an industry cooperative proposal on February 2, 2001, for one EFP to conduct side-by-side tows between the R/V ALBATROSS and a fishing vessel during the NMFS Spring Trawl Survey. The study addresses the concern that the spring survey may not adequately assess the proportion of large fish in the population.

The study will occur on Legs I and II of the NMFS Spring Trawl Survey. Leg I of the spring survey is scheduled to begin on February 26, 2001. The study will take place during the first 4 to 5 days of the cruise when the R/V *Albatross* will occupy about 34 stations on the outer shelf and the shelf edge from Hudson Canyon to just north of Cape Hatteras. Some of these stations may occur inside the Southern Gear Restricted Area (GRA). Leg II is scheduled to begin on March 15, 2001. On this Leg, the study will take place when the R/V *Albatross* occupies stations south of Long Island and Massachusetts, on the outer half of the shelf. This part of the study will occupy 19 stations and last about 3 days. Because the spring survey is conducted 24 hours a day, the industry vessel will have a minimum of four science personnel working two 12-hour shifts of two individuals each.

This study involves Haskin Shellfish Research Laboratory, with funding provided by the NFI Scientific Monitoring Committee. The objective of the study is to conduct side-by-side tows between an industry vessel and the R/V *Albatross* to provide information on the relative catchability of the two platforms and gears fished during the spring survey. The potential outcomes of the study include: (1) An improved assessment of the population size frequency for many commercial species, (2) a boundary condition on the value used as an estimation of catchability in fisheries models, (3) improved estimates of the size-dependency of catchability for the survey gear, (4) improved estimates of spawning stock biomass (SSB) from understanding the bias in catchablity in the survey, (5) an increased number of samples for length-weight and length-at-age studies for key species, and (6) potential groundwork for using industry vessels to increase the number of stations occupied in the survey for those species presently sampled with inadequate intensity.

In order to accomplish the objectives of this study, a trawl with a 6-cm codend mesh will be towed in unison and parallel to the survey trawls being conducted by the R/V *Albatross*. In areas where there is a large depth gradient, the industry vessel will tow aft of the R/V *Albatross*. To keep the survey program on schedule, tow times, not tow distances, will remain the same between the two vessels, since it is likely that the towing speed for the R/V*Albatross* will exceed that of the industry vessel.

Since the primary objective of the study is to improve size frequency information, the project aims to take length measurements of all fish caught using standard observer protocols. However, species will be measured in order of importance (i.e., summer flounder, scup, squid, black sea bass, and whiting), or subsampled by size, if the limited number of crews are unable to measure all fish. Individual weight measurements and samples for aging will not be taken, but NMFS may establish certain target species for which weight measurements and aging samples should be taken. These fish will be segregated and transferred to the R/V *Albatross*, when appropriate.

Any fish below the minimum size limits or in excess of a quota will not be retained, except for scientific purposes. However, the applicant intends to retain for sale those fish meeting the minimum size and quota requirements. In addition, the applicant wants to land and sell fish caught in excess of any applicable landing limit, although it is believed that landings limits will likely not be exceeded due to the short duration of the tows.

An EFP would be issued to one participating federally permitted vessel to exempt it from minimum mesh-size requirements, GRA restrictions, landing limits, and possession limits. This EFP would also authorize the vessel to land and sell any fish that conform with minimum-size and quota restrictions.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: February 20, 2001.

Richard W. Surdi,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 01–4692 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22–S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 600

[I.D. 021401B]

Magnuson-Stevens Act Provisions; General Provisions for Domestic Fisheries; Applications for Exempted Fishing Permits (EFPs)

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notification of a proposal for EFPs to conduct experimental fishing; request for comments.

SUMMARY: NMFS announces that the Administrator, Northeast Region, NMFS (Regional Administrator), has made a preliminary determination to approve an application for an EFP that would allow up to 12 vessels to conduct fishing operations otherwise restricted by regulations governing the fisheries of the Northeastern United States. The Gulf of Maine Aquarium Development Corporation and Maine Department of Marine Resources have submitted an application for an EFP that warrants further consideration. The experimental fishery to be conducted under the EFP would investigate the bycatch of multispecies and catch of northern shrimp in Gulf of Maine waters that are not currently open to this fishery. The goal of the research is to determine whether a shrimp fishery can be conducted southeast of the Loran 25600 line within acceptable multispecies bycatch limits in order to provide additional economic opportunity to the shrimp fleet and alleviate fishing pressure on shrimp in nearshore waters. This notice is intended to provide interested parties the opportunity to comment on the proposed experimental fishery.

DATES: Comments must be received by March 14, 2001.

ADDRESSES: Comments should be sent to Patricia Kurkul, Regional Administrator, NMFS, Northeast Regional Office, 1 Blackburn Drive, Gloucester, MA 01930. Mark on the outside of the envelope ''Comments on Proposed Experimental Fishery.'' Comments also may be sent via facsimilar (fax) to 978–281–9135. Comments will not be accepted if submitted via e-mail or Internet.

FOR FURTHER INFORMATION CONTACT: Tom Warren, Fishery Management Specialist, 978–281–9347.

SUPPLEMENTARY INFORMATION: The regulations that govern exempted experimental fishing, at 50 CFR 600.745, allow the Regional Administrator to authorize for certain purposes the targeting or incidental harvest of managed species that would otherwise be prohibited. An EFP to authorize such activity may be issued, provided that there is adequate opportunity for the public to comment on the EFP application, and that the conservation goals and objectives of the Fishery Management Plan are not compromised.

The Gulf of Maine Aquarium Development Corporation of Portland, Maine (ME), and the Maine Department of Marine Resources of Boothbay Harbor, ME submitted to NMFS on November 2, 2000, an application for an EFP to conduct research in the northern shrimp fishery in the Gulf of Maine. The research would target shrimp southeast of the area in which fishing is currently allowed, with the objective of determining whether a shrimp fishery can be conducted within acceptable multispecies bycatch limits. The underlying goal of the research is to provide additional economic opportunity to the northern shrimp fleet and alleviate fishing pressure on shrimp in nearshore waters.

The Northeast Multispecies Fishery Management Plan (FMP) regulations specify minimum fishing gear mesh sizes in the Gulf of Maine/Georges Bank (GOM/GB) Regulated Mesh Area in order to protect multispecies. There are several exemptions, however, that allow fisheries that utilize mesh size smaller than the allowable to be conducted in this area. One of the exemptions to the GOM/GB Regulated Mesh Area is the Small Mesh Northern Shrimp Fishery Exemption Area, which allows the targeting of northern shrimp. One of the principle requirements associated with this exemption area is a requirement to use a finfish excluder device (FED) to ensure a minimal level of multispecies bycatch. Justification of the Small Mesh Northern Shrimp Fishery Exemption Area was based upon the testing of the Nordmore Grate, a FED that was tested from 1991 to 1992, in the Gulf of Maine northwest of the Loran 25600 line. Based upon those experimental trawls, the Small Mesh Northern Shrimp Fishery Exemption Area was implemented, with the border being formed in part by the Loran 25600 line.

Based on results from the experimental fishery, the Small Mesh Northern Shrimp Fishery Exemption Area could be expanded if there is information to determine that the percentage of regulated species caught as bycatch is sufficiently small, on a per trip basis, such that fishing mortality objectives of the FMP will not be jeopardized.

According to the applicant, up to 12 vessels would be issued EFPs to allow targeting of shrimp using small mesh on 12, 3-day trips from April 15 through May 31, 2001. A contractor for sea sampling will be selected through the ''Request for Proposal'' process, and observers will accompany all trips. For the first half of each trip, the nets will be consistent with the requirements of the Small Mesh Northern Shrimp Fishery Exemption Area (FED with 1-inch maximum spacing). For the second half of each trip, the nets will contain a 3/4-inch (0.01905-m)-spaced Nordmore grate. At some time during each of the first 2 days of each trip, vessels will make a one half-hour tow with no grate in the net to serve as a control tow. When six trips (18 days) of fishing have been completed, the rate of groundfish bycatch will be estimated and submitted to NMFS. Depending upon the level of bycatch, the experiment will either be terminated, continue unaltered, or continue under new procedures (using only the 3/4-inch (0.01905-m)-spaced grate).

EFPs would be required to exempt vessels from certain management measures of the FMP, including the time, area, and FED restrictions of the Small Mesh Northern Shrimp Fishery Exemption Area, and Gulf of Maine Rolling Closures.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: February 20, 2001.

Richard W. Surdi,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 01–4689 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22–S

Notices

Federal Register

Vol. 66, No. 39

Tuesday, February 27, 2001

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 AGRICULTURE

Submission for OMB Review; Comment Request

February 22, 2001.

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments regarding (a) whether the 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 burden including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; (d) 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 should be addressed to: Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, DC 20503 *and* to Departmental Clearance Office, USDA, OCIO, Mail Stop 7602, Washington, DC 20250–7602.

Comments regarding these information collections are best assured of having their full effect if received within 30 days of this notification. Copies of the submission(s) may be obtained by calling (202) 720–6746.

An agency may not conduct or sponsor a collection of information unless the collection of information displays a currently valid OMB control number and the agency informs potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

Farm Service Agency

Title: Farmer Program Account Servicing Policies—7 CFR part 1951–S.

OMB Control Number: 0560–0161.

Summary of Collection: The Farm Service Agency's (FSA) Farm Loan Program (FLP) provides supervised credit in the form of loans to family farmers and ranchers to purchase land and finance agricultural production. The regulations covering this information collection package describes the policies and procedures the agency will use to service most FLP loans when they become delinquent. These loans include Operating, Farm Ownership, Soil and Water, Softwood Timber Production, Emergency; Economic Emergency, Economic Opportunity, Recreation, and Rural Housing loans for farm service buildings. Servicing of accounts is administered in accordance with the provisions of the Consolidated Farm and Rural Development Act (CONACT) as amended by the Food Security Act of 1985, the Agriculture Credit Act of 1987, the Food Agriculture Conservation and Trade Act of 1990, the Agricultural Credit Improvement Act of 1992, and the Federal Agriculture Improvement and Reform Act of 1996. The Agricultural Credit Act of 1987 was intended to ensure that private individuals who have obtained a loan from the U.S. Treasury through the Department of Agriculture are all treated equally when they default on that loan. FSA is modifying the information collection to require borrowers to document the value of added improvements to real estate used in securing a shared appreciation agreement.

Need and Use of the Information: FSA will use the tax returns provided by borrowers to document the validity of the amount of capital improvements being claimed by the borrower. If information is not collected, borrowers may not have the remaining contributory value of capital improvements made during the term of the Shared Appreciation Agreement deducted when the recapture amount under the agreement is calculated.

Description of Respondents: Farms; Individuals or households; Business or other for-profit.

Number of Respondents: 12,681.

Frequency of Responses: Reporting: On occasion.

Total Burden Hours: 13,109.

Farm Service Agency

Title: Environmental Quality Incentives Program (EQIP).

OMB Control Number: 0560–0174.

Summary of Collection: The Natural Resources Conservation Service (NRCS) in partnership with the Farm Service Agency (FSA) administers the Environmental Quality Incentives Program (EQIP). EQIP provides for Federal financial, technical, and educational long-term cost-share and incentive assistance for conservation treatment to eligible land users. Local work groups identify significant natural resource concerns and develop a need assessment proposal. The proposal is forwarded to the NRCS State Conservationist who, in consultation with the State Technical Committee, decides which areas deserve designation as a priority area. NRCS works with landowners and operators in the priority areas to develop conservation plans that incorporate conservation practices that will meet EQIP objectives. Landowners apply for cost-share and incentive payments under EQIP by completing a CCC–1200 form. Other forms are used once an applicant is approved for participation in the program.

Need and Use of the Information: FSA collects information to determine eligibility for the EQIP program and too ensure that those landowners selected will assist the Federal government in remedying the identified natural resource concerns for that area. If the information were not collected, NRCS and FSA would not be able to distribute the EQIP funds and monitor their use.

Description of Respondents: Individuals or household; Farms.

Number of Respondents: 92,500.

Frequency of Responses: Reporting: Other (When applying for program).

Total Burden Hours: 444,609.

Farm Service Agency.

Title: Lamb Meat Adjustment Assistance Program (LMAAP).

OMB Control Number: 0560–0205.

Summary of Collection: The Lamb Meat Adjustment Assistance Program (LMAAP) is administered and implemented under the general direction and supervision of the Farm Service Agency (FSA) through its State and County Committees. Authorizing

legislation for LMAAP provides for the re-establishment of farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. The objective of the LMAAP program is to make direct payments to producers of sheep and lamb operations to help them weather the current economic crisis, as well as help improve their production efficiencies and the marketability of lamb meat during the 3 year period from July 21, 1999, through July 31, 2002. FSA will collect information using form FSA 383.

Need and Use of the Information: FSA will collect the following information: (1) sheep and lamb operation name; (2) each related producer's name; (3) ID number and shares; (4) the number of rams purchased for the intended purpose of breeding; (5) the number of eligible sheep enrolled in an eligible sheep improvement program; and/or (6) the type and cost of the facility improvement. The information is needed to verify commodity and producer eligibility and calculate payment amounts. Without the information from the producers, FSA would be unable to administer the program to provide direct payments to the sheep and lamb operations.

Description of Respondents: Farms; Individuals or households; Business or other-for-profit.

Number of Respondents: 60,000.

Frequency of Responses: Reporting: Annually.

Total Burden Hours: 24,240.

Agricultural Marketing Service

Title: Cotton Classing, Testing, and Standards.

OMB Control Number: 0581–0008.

Summary of Collection: The U.S. Cotton Standards Act, 7 U.S.C. 51, 53 and 55, directs and authorizes the USDA to supervise the various activities directly associated with the classification or grading of cotton, cotton linters, and cottonseed based on official USDA Standards. The Cotton Division of the Agricultural Marketing Service carries out this supervision and is responsible for the maintenance of the functions to which these forms relate.

Need and Use of the Information: The Agricultural Marketing Service uses the following forms to collect information: Owners of cotton submitted Form CN–357 to request cotton classification services. The request contains information for USDA to ascertain proper ownership of the samples submitted, distribute classification results, and bill for services. Information about the origin and handling of the cotton is necessary in order to properly evaluate and classify the samples.

Cottons gins and warehouses seeking to serve as licensed samplers submit form CN–246. The license period is five years. Licenses issued by the USDA–AMS Cotton Division authorize the warehouse/gin to draw and submit samples to insure the proper application of standards in the classification of cotton and to prevent deception in their use.

Form CN–383 is submitted by cotton producers, ginners, warehousemen, cooperatives, manufacturers, merchants, and crushers interested in acquiring a set of cotton grade and staple standards for Upland and Pima cotton.

Description of Respondents: Business or other for-profit; Individuals or household.

Number of Respondents: 797.

Frequency of Responses: Reporting: Annually; other (every 5 yr.).

Total Burden Hours: 119.

Agricultural Marketing Service

Title: Cotton Classification and Market News Service.

OMB Control Number: 0581–0009.

Summary of Collection: The Cotton Statistics and Estimates Act, 7 U.S. Code 471–476, authorizes and directs the Secretary of Agriculture to collect and publish annually, statistics or estimates concerning the grades and staple lengths of stocks of cotton, known as the carryover, on hand on the 1st of August each year in warehouses and other establishments of every character in the continental U.S; and following such publication each year, to publish at intervals, in his/her discretion, his/her estimate of the grades and staple length of cotton of the then current crop (7 U.S.C. 471). Additionally, Agricultural Marketing Service (AMS) collects, authenticates, publishes, and distributes timely information of the market supply, demand, location, and market prices for cotton (7 U.S.C. 473B).

Need and Use of the Information: AMD will collect information on the quality of cotton in the carryover stocks along with the size or volume of the carryover. This information is needed and used by all segments of the cotton industry. Growers use this information in making decisions relative to marketing their present crop and planning for the next one; cotton merchants use the information in marketing decisions; and the mills that provide the data also use the combined data in planning their future purchase to cover their needs. Importers of U.S. cotton use the data in making their plans for purchases of U.S. cotton. AMS and other government agencies are users of the compiled information.

Description of Respondents: Business or other for-profit; Individuals or households.

Number of Respondents: 495.

Frequency of Responses: Reporting: On occasion; Weekly; Annually.

Total Burden Hours: 226.

Agricultural Marketing Service

Title: Federal Seed Act Program.

OMB Control Number: 0581–0026.

Summary of Collection: The Federal Seed Act (FSA) (7 U.S.C. 1551–1611) regulates agricultural and vegetable seeds in interstate commerce. Agricultural and vegetable seeds shipped in interstate commerce are required to be labeled with certain quality information such as the name of the seed, the purity, the germination, and the noxious-weed seeds of the state into which the seed is being shipped. State seed regulatory agencies refer to the Agricultural Marketing Service (AMS) complaints involving seed found to be mislabeled and to have moved in interstate commerce. AMS investigates the alleged violations and if the violation is substantiated, takes regulatory action ranging from letters of warning to monetary penalties. AMS will collect information from records of each lot of seed and make them available for inspection by agents of the Secretary.

Need and Use of the Information: The information collected consists of records pertaining to interstate shipments of seed that have been alleged to be in violation of the FSA. The shipper's records pertaining to a complaint are examined by FSA program specialists and are used to determine if a violation of the FSA occurred. The records are used to determine the precautions taken by the shipper to assure that the seed was accurately labeled. If this information were not collected, it would be impossible to examine pertinent records to resolve complaints of violations.

Description of Respondents: Business or other for-profit; State. Local or Tribal Government; Farms.

Number of Respondents: 2,997.

Frequency of Responses: Recordkeeping; Reporting: On occasion.

Total Burden Hours: 37,215.

Agricultural Marketing Service

Title: Farmer's Market Questionnaire.

OMB Control Number: 0581–0169.

Summary of Collection: The Transportation and Marketing (T&M) Program, Agricultural Marketing Service (AMS) conducts research to find better designs, development techniques, and

operating methods for modern farmer's markets under the Agency's Wholesale and Alternative Markets Program. Recommendations are made available to local decision-makers interested in constructing modern farmer's markets to serve area producers and consumers. Individual studies are conducted in close cooperation with local interested parties.

Need and Use of the Information: The information will be collected using form TM–6 ''Farmer's Market Questionnaire.'' The form submitted for approval will serve as a survey instrument to obtain a clearer picture of existing farmer's market structure to provide a basis for the future design of modern direct marketing facilities and will provide a measure of growth over the last 4 years. T&M researchers will survey by mail, with telephone follow-up, the managers of farmer's markets identified in the 2000 National Farmer's Market Directory. In addition, provision will be made for e-mail reporting. These markets represent a varied range of sizes, geographical locations, types, ownership, and structure and will provide a valid overview of farmer's markets in the United States. Information such as the size of markets, operating times and days, retail and wholesale sales, management structure, and rules and regulations governing the markets are all important questions that need to be answered in the design of a new market. The information developed by this survey will support better designs, development techniques, and operating methods for modern farmers markets and outline improvements that can be applied to revitalize existing markets. If this information is not collected, the ongoing research to develop new farmer's markets must rely on limited and often anecdotal information. This narrow focus will limit the ability of researched to provide effective designs and development plans for new markets where such information is not immediately available.

Description of Respondents: Not-for-profit institutions.

Number of Respondents: 2,860.

Frequency of Responses: Reporting: Biennially.

Total Burden Hours: 358.

Forest Service

Title: Residential Fuelwood and Post Assessment, Any State, Year.

OMB Control Number: 0596–0009.

Summary of Collection: The Forest and Rangeland Renewable Resource Research Act of 1978 (16 U.S.C. 1600), (as amended by the Energy Security Act of 1980 (42 U.S.C. 8701)) requires the Secretary of Agriculture to make and keep current a comprehensive survey and analysis of the present and prospective conditions of and requirements for renewable resources from forests and rangelands of the United States and of the supplies of such resources. Wood was the major source of energy for households in the U.S. until the 1880's. Fuelwood use has dropped sharply in this century with greater use occurring during the Great Depression and World War II. But by 1970, less than 2 percent of all households used wood as a primary source or heating fuel. During this period of decline, the Forest Service (FS) monitored production of wood for household fuel by interviewing rural households to determine harvest from farm woodlots. The FS will collect information using a survey.

Need and Use of the Information: FS will collect information to determine the level of renewable resources used for fuelwood and fence posts by residential households and logging contractors. The information will enable land managers to determine what timber to sell for use as fuelwood or fence posts, how well the local forested land will meet the demand for these timber products, and how to project future demands on these renewable natural resources for fuelwood and fence posts. Also, the information will be used to determine the types of facilities households use to heat their home with wood, such as wood burning stoves or fireplaces; the type of land from which the wood will be cut; the conditions of the wood that will be cut, that is whether the trees will be dead or alive. If the information is not collected, FS will not know the quantity of fuelwood and posts produced in selected states or the impact of harvesting these products on the timber resource.

Description of Respondents: Individuals or households; Business or other for-profit.

Number of Respondents: 2,919.

Frequency of Responses: Reporting: Other (annually but not in each State).

Total Burden Hours: 199.

Forest Service

Title: Commercial Use of Woodsy Owl Symbol—36 CFR Part 272.

OMB Control Number: 0596–0087.

Summary of Collection: The Forest Service National Symbols Coordinator will evaluate the data to determine if an individual corporation, or organization, requesting a license to use the Woodsy Owl symbol commercially shoud be granted a license or, if currently licensed to determine the royalty fee the licensed entity must pay to the agency based on a percentage of the licensee's total sales and whether the licensed entity has met its stated objectives. Part 272 of Title 36 CFR authorizes the Chief of the Forest Service to approve commercial use of the Woodsy Owl symbol and to collect royalty fees for such use. An individual or corporation may apply for a Woodsy Owl license by contacting Forest Service personnel by telephone, fax, and e-mail or by writing.

Need and Use of the Information: FS will collect information to determine how long the individual, corporation, or organization has been in business; the products the individual, corporation, or organization sells or plans to see; the geographical location from which the products will be sold; the projected sales volume; and how the individual, corporation or organization plans to market the products. If information is not collected royalty fees would not be collected in keeping with federal cash management policies, and quantity of merchandise objectives would not be effectively monitored.

Description of Respondents: Business or other for-profit.

Number of Respondents: 10.

Frequency of Responses: Reporting: Quarterly.

Total Burden Hours: 20.

Forest Service

Title: Public Perceptions of Pacific Northwest National Forest System Land Management Practices.

OMB Control Number: 0596–NEW.

Summary of Collection: National Forests are managed by Congressional mandates with input from citizens. These mandates, like the Multiple Use Sustained Acts of 1960 and the National Forest Management Act of 1976 and others, require the Forest Service to produce plenty of many different resources values. In 1994, the Forest Service adopted the Northwest Forest Plan in response to perceptions the public had that Forest Service land management practices on National Forests in western Washington, western Oregon and northern California might have negative impacts on timber resources and threaten endangered species, such as the northern spotted owl. Management of National Forests, including their appearances, has shaped the way people view forest practices. Thus, there is a need to find out how the general public perceives forest management practices in order to affect management decisions and mitigate controversy. Determining what the public views as acceptable and aesthetically pleasing can help balance harvest and recreation, and other public needs and expectations. The Forest

Service will collect information using a survey.

Need and Use of the Information: FS will collect information to identify the type and distribution of perceptions of alternative timber harvest methods that might be implemented in national forests. The information will be used to help the Forest Service gain a better understanding of the western Michigan, western Oregon, and northern California residents' perceptions of the agency's land management practices on the National Forest in these areas. If the information is not collected, forestry management, resource, and harvest decisions will be made without well-informed regard to current public sentiment and expectation.

Description of Respondents: Individuals or households.

Number of Respondents: 1,700.

Frequency of Responses: Reporting: Other (one time).

Total Burden Hours: 425.

National Agriculture Statistics Service

Title: Cotton Ginning Survey.

OMB Control Number: 0535–0220.

Summary of Collection: Primary function of the National Agricultural Statistics Services (NASS) is to prepare and issue state and national estimates of crop and livestock production under the authority of 7 U.S.C. 2204(a). The Cotton Ginning Survey provides statistics concerning cotton ginning for specific dates and geographic regions and aids in forecasting cotton production, which is required under 7 U.S.C. Section 475.

Need and Use of the Information: The ginning data collected provides (1) all segments of the cotton industry-buyers, brokers, crushers, shippers, textile firms, and researchers with exact quantities of cotton available at specific geographic locations within the U.S. on a regular basis; (2) precise statistics, especially when at least 50 percent of the forecasted cotton production has been ginned in a state; and (3) final season ginning data that is used to establish final production. If the information were collected less frequent, the cotton industry would be without county level quantities ginned that could seriously affect transportation costs and marketing strategies.

Description of Respondents: Business or other for-profit.

Number of Respondents: 1,131.

Frequency of Responses: Reporting: Other (biweekly Sept.-Jan.).

Total Burden Hours: 1,065.

Nancy B. Sternberg,

Departmental Clearance Officer.

[FR Doc. 01–4760 Filed 2–26–01; 8:45 am]

BILLING CODE 3410–01–M

DEPARTMENT OF AGRICULTURE

Forest Service

Availability of an Environmental Assessment for an amendment to the Green Mountain National Forest Land and Resource Management Plan; Addison, Bennington, Rutland, Washington, Windham and Windsor Counties, Vermont

AGENCY: Forest Service, USDA.

ACTION: Notice of availability of an environmental assessment.

SUMMARY: On May 10, 2000, Green Mountain and Finger Lakes National Forest Supervisor, Paul K. Brewster, (Responsible Official) set forth a proposal to amend the 1987 Green Mountain National Forest Land and Resource Management Plan (Forest Plan). On January 17, 2001, he made the resultant Environmental Assessment available for a 30 day public comment period. The comment period closed on February 16, 2001. Copies of the Environmental Assessment are available upon request. The current preferred alternative (Alternative 3), would incorporate into the Forest Plan the reasonable and prudent measures and terms and conditions contained in the *Biological Opinion* (prepared by the U.S. Fish and Wildlife Service, dated February 16, 2000) as well as additional conservation measures that would benefit Indiana bat habitat and habitats for other woodland bat species. These measures would also increase monitoring for bats and bat habitat. In addition, education and outreach efforts related to Indiana bat conservation would be increased, and recommendations for conservation of Sensitive Species incorporated.

All comments received are being evaluated, and may result in supplementation of the Environmental Assessment or be incorporated into the final decision.

This notice is provided pursuant to section 10(c) of the Act and National Environmental Policy Act regulations (40 CFR 1506.6, 453 FR 55990) and National Forest System Land and Resource Management Planning regulations (36 CFR 219.35, 65 FR 6745145).

DATES: On May 10, 2000, Green Mountain and Finger Lakes National Forest Supervisor, Paul K. Brewster (Responsible Official) put forth a proposal to amend the 1987 Green Mountain National Forest Land and Resource Management Plan (Forest Plan). On January 17, 2001, a legal notice was published in the Rutland Daily Herald, announcing the availability of the Environmental Assessment for a 30 day public comment period. The comment period closed on February 16, 2001.

ADDRESSES: Send requests for documents to: Forest Supervisor, Green Mountain and Finger Lakes National Forest, 231 North Main Street, Rutland, Vermont 05701.

FOR FURTHER INFORMATION CONTACT: Patricia D'Andrea, Forest Planner, at 802–388–4362, ext. 112 TDD 802–747–6765; or direct electronic mail to: ''pdandrea@fs.fed.us.''

Responsible Official: Paul K. Brewster, Forest Supervisor, 231 North Main Street, Rutland, Vermont 05701.

SUPPLEMENTARY INFORMATION: This amendment would apply to the 370,530 acres of the Green Mountain National Forest in the form of amending the standards and guidelines of the Land and Resource Management Plan for the conservation of the Indiana bat and other woodland bat species, as well as incorporating recommendations for the conservation of Sensitive Species. This is a non-significant amendment.

Dated: February 16, 2001.

Paul K. Brewster,

Forest Supervisor.

[FR Doc. 01–4697 Filed 2–26–01; 8:45 am]

BILLING CODE 3410–11–M

DEPARTMENT OF AGRICULTURE

Forest Service

Cave Gulch Post-Fire Salvage Sale, Townsend Ranger District and the Helena Ranger District, Helena National Forest, Broadwater and Lewis & Clark Counties, Montana

AGENCY: Forest Service, USDA.

ACTION: Notice, intent to prepare Environmental Impact Statement.

SUMMARY: The Forest Service will prepare an Environmental Impact Statement on a proposal to harvest merchantable trees from the Cave Gulch wildfire area. The proposed action includes salvage timber harvest in roaded areas and stewardship project timber harvest activities in inventoried roadless areas. No new road construction or reconstruction would be conducted in inventoried roadless areas. In areas outside inventoried roadless areas, existing system roads and a few temporary roads would be used. Only dead or dying trees will be removed. The proposed action will also incorporate interim road management to provide for big game security,

silvicultural practices that can hasten post-fire recovery for wildlife and recreation and reduce future fuel loading, and other management practices to minimize accelerated erosion.

DATES: Comments concerning the proposal and scope of the analysis should be received in writing by March 7, 2001.

ADDRESSES: All questions and/or comments should be addressed to: USDA Forest Service, Townsend Ranger District, 415 S. Front Street, Box 29, Townsend, MT 59644.

FOR FURTHER INFORMATION CONTACT: David McMorran, Team Leader, or Rachel Feigley, Assistant Team Leader at (406) 266–3425.

SUPPLEMENTARY INFORMATION: The analysis will include a no action alternative which will address the effects of not harvesting in the burned area. Other alternatives will consider a range of options, including varying the locations, timing and methods of timber removal. The analysis will consider the effects of the proposed action and alternatives within the entire affected watersheds, but actions will be limited to the burned areas—no green tree harvest is proposed.

Anticipated issues and concerns include, but are not limited to: longterm watershed stability and recovery; fuel loading/fuel reduction in the future; inventoried roadless character and values; longterm management goals; opportunities to integrate salvage operations with restoration activities; big game security and retention of remaining hiding cover; snag management for wildlife; scenery and recreation management, the potential for spreading noxious weeds, and opportunities to benefit local economies.

The Forest Service is seeking information and comments from Federal, state and local agencies as well as individuals and organizations that may be interested in the proposal. The Forest Service invites written comments and suggestions related to the proposal. The Forest Service invites written comments and suggestions related to the proposal. Information received will be used in preparation of the Draft Environmental Impact Statement. The Draft Environmental Impact Statement should be available for public review and comment during April 2001 and the Final Environmental Impact Statement and Record of Decision in June 2001. The official close of the comment period for the Draft Environmental Impact Statement will be 45 days from the date the Environmental Protection Agency publishes the notice of availability in the **Federal Register**.

The Forest Service believes, at this early stage, it is important to give reviewers notice of several court rulings related to public participation in the environmental review process. First, reviewers of draft environmental impact statements must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp.* v. NRDC, 435 U.S. 519, 533 (1978). Also, environmental objections that could be raised at the draft environmental impact statement stage, but that are not raised until after completion of the final environmental impact statement, may be waived or dismissed by the courts. *City of Angoon* v. *Hodel*, 803 F.2d 1016, 1022 (9th cir. 1986) and *Wisconsin Heritages, Inc.* v. *Harris*, 490 F. 1334, 1338 (E.D. Wis. 1980). Because of these court rulings, it is very important that those interested in this proposed action participate by the close of the 45 day comment period so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final environmental impact statement.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments on the draft environmental impact statement should be as specific as possible. It is also helpful if comments refer to specific pages or chapters of the draft statement. Comments may also address the adequacy of the draft environmental impact statement or the merits of the alternatives formulated and discussed in the statement. Reviewers may wish to refer to the Council on Environmental Quality Regulations for implementing the procedural provisions on the National Environmental Policy Act at 40 CFR 1503.3 in addressing these points.

The responsible official is Thomas J. Clifford, Forest Supervisor, Helena National Forest, 2880 Skyway Drive, Helena, MT 59601.

Dated: February 14, 2001.

Allen L. Christophersen,

Acting Helena Forest Supervisor.

[FR Doc. 01–4696 Filed 2–26–01; 8:45 am]

BILLING CODE 3410–11–M

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Meeting

AGENCY: Architectural and Transportation Barriers Compliance Board.

ACTION: Notice of meeting.

SUMMARY: The Architectural and Transportation Barriers Compliance Board (Access Board) has scheduled its regular business meetings to take place in Washington, DC on Monday, Tuesday, Wednesday, and Thursday, March 12–15, 2001, at the times and location noted below.

DATES: The schedule of events is as follows:

Monday, March 12, 2001

1:00 p.m.–5:00 p.m.—Committee of the Whole—Americans with Disabilities Act/Architectural Barriers Act Final Rule (Closed Meeting)

Tuesday, March 13, 2001

9:00 a.m.–Noon Committee of the Whole—Americans with Disabilities Act/Architectural Barriers Act Final Rule (Closed Meeting)

1:30 p.m.–2:30 p.m.—Technical Programs Committee

2:30 p.m.–4:00 p.m.—Committee of the Whole—Recreation Facilities Final Rule (Closed Meeting)

4:00 p.m.–5:00 p.m.—Planning and Budget Committee

Wednesday, March 14, 2001

9:00 a.m.–10:30 a.m. Committee of the Whole—Americans with Disabilities Act/Architectural Barriers Act Final Rule (Closed Meeting)

10:30 a.m.–Noon—Executive Committee

1:30 p.m.–3:30 p.m.—Board Meeting

Thursday, March 15, 2001

9:00 a.m.–5:00 p.m.—Committee of the Whole—Americans with Disabilities Act/Architectural Barriers Act Final Rule (Closed Meeting)

ADDRESSES: The meetings will be held at the Washington Renaissance Hotel, 999 9th Street, NW, Washington, DC.

FOR FURTHER INFORMATION CONTACT: For further information regarding the meetings, please contact Lawrence W. Roffee, Executive Director, (202) 272–5434, extension 113 (voice) and (202) 272–5449 (TTY).

SUPPLEMENTARY INFORMATION: At the Board meeting, the Access Board will consider the following agenda items.

Open Meeting

- Executive Director's Report
- Election of Officers
- Approval of the Minutes of the January 10, 2001 Board Meeting
- Executive Committee Report—Nominating Committee Report
- Planning and Budget Committee Report—Budget Spending Plan for Fiscal Year 2001 and Fiscal Year 2002 Budget
- Technical Programs Committee Report—Report on Research and Technical Assistance Projects

Closed Meeting

- Committee of the Whole Report on the Americans with Disabilities Act/Architectural Barriers Act Final Rule
- Committee of the Whole Report on Recreation Facilities Final Rule

All meetings are accessible to persons with disabilities. Sign language interpreters and an assistive listening system are available at all meetings. Persons attending Board meetings are requested to refrain from using perfume, cologne, and other fragrances for the comfort of other participants.

James J. Raggio,

General Counsel.

[FR Doc. 01–4744 Filed 2–26–01; 8:45 am]

BILLING CODE 8150–01–P

DEPARTMENT OF COMMERCE

Foreign–Trade Zones Board

[Docket No. 33–99]

Foreign-Trade Zone 59—Lincoln, NE; Application for Expansion of Manufacturing Authority Subzone 59A, Kawasaki Motors Manufacturing Corp., U.S.A., Plant, Lincoln, NE; Amendment of Application

Notice is hereby given that the application by the Lincoln Foreign Trade Zone, Inc., grantee of Foreign-Trade Zone 59, requesting an expansion of the scope of manufacturing authority to include new manufacturing capacity under FTZ procedures and requesting authority to expand the boundary of FTZ 59A at the Kawasaki Motors Manufacturing Corp., U.S.A. (KMM), plant in Lincoln, Nebraska (64 FR 37496, 7–12–99), has been amended to include an additional 732,000 square feet of production area to the previously-announced expansion. The additional square footage would result in a new configuration for Subzone 59A of 2.9 million square feet on 332 acres, with a revised subzone boundary.

The application remains otherwise unchanged.

The comment period is reopened until March 26, 2001.

Dated: February 21, 2001.

Dennis Puccinelli,

Executive Secretary

[FR Doc. 01–4776 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 12–2001]

Foreign-Trade Zone 54—Clinton County, New York; Application for Expansion

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the County of Clinton, New York, grantee of FTZ 54, requesting authority to expand its general-purpose zone site to include an additional site in Champlain, New York. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a–81u), and the regulations of the Board (15 CFR Part 400). It was formally filed on February 20, 2001.

FTZ 54 was approved on February 14, 1980 (Board Order 153, 45 FR 12469, 2/26/80) and expanded on September 23, 1982 (Board Order 196, 47 FR 43102, 9/30/82), and on May 29, 1996 (Board Order 829, 61 FR 28840, 6/6/96). The zone project currently includes three general-purpose zone sites: *Site 1* (123 acres)—Clinton County Air Industrial Park, Plattsburgh; *Site 2* (11 acres)—One Trans-Boarder Drive, Champlain, at I–87 and U.S. Route 11, operated by Trans-Border Customs Services, Inc.; *Site 3* (200 acres)—Champlain Industrial Park, located on New York State Route 11 in Champlain (also include a temporary parcel (expires 11/30/01) located at 5 Coton Lane (4 acres)); and, a *Temporary Site*—(15,000 sq. ft.) located at 2002 Ridge Road, Champlain (expires 11/30/01). An application is currently pending for an additional site at the former Plattsburgh Air Force Base in Plattsburgh (FTZ Doc. 57–2000).

The applicant is now requesting authority to expand its zone project to include an additional site (11.5 acres) at the World Warehouse and Distribution facility, 2002 Ridge Road, Champlain (Proposed Site 5). The facility will be operated by World Warehouse as a public warehouse facility with packaging services. The proposed expansion will include the temporary site. No specific manufacturing requests are being made at this time. Such requests would be made to the Board on a case-by-case basis.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is April 30, 2001. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to May 14, 2001).

A copy of the application and accompanying exhibits will be available for public inspection at each of the following locations:

The Development Corporation of Clinton County, New York, 61 Area Development Drive, Plattsburgh, New York 12901, and

Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, 14th & Pennsylvania Avenue, NW., Washington DC 20230.

Dated: February 21, 2001.

Dennis Puccinelli,

Executive Secretary.

[FR Doc. 01–4775 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 11–2001]

Foreign-Trade Zone 147—Reading, Pennsylvania; Application for Subzone, C&J Clark America, Inc., Distribution of Footwear, Hanover, Pennsylvania

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Foreign-Trade Zone Corporation of Southeastern Pennsylvania, grantee of FTZ 147, requesting special-purpose subzone status for the footwear warehousing/distribution facility of C&J Clark America, Inc. (Clark), in Hanover, Pennsylvania. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a–81u), and the regulations of the Board (15 CFR part 400). It was formally filed on February 15, 2001.

The Clark Hanover Logistics Center (305,668 sq. ft./3 bldgs. on 24.8 acres) is

located at 240 Kindig Lane in Conewago Township, just outside Hanover, Pennsylvania. The facilities (210 employees) are used for storage, inspection, repairing, packaging and distribution of footwear received by Clarks Companies, N.A., in North America. Almost all of the products are sourced from abroad and some 8 percent are currently exported.

Zone procedures would exempt Clark from Customs duty payments on foreign products that are reexported. On domestic sales, the company would be able to defer payments until merchandise is shipped from the plant. The application indicates that the savings from zone procedures will help improve the plant's international competitiveness.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is April 30, 2001. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to May 14, 2001).

A copy of the application and accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce, Export Assistance Center, One Commerce Square, 228 Walnut St., 850, P.O. Box 11698, Harrisburg, Pennsylvania 17108–1698; and

Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 4008, 14th & Pennsylvania Avenue, NW, Washington, DC 20230.

Dated: February 15, 2001.

Dennis Puccinelli,

Executive Secretary.

[FR Doc. 01–4774 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 10–2001]

Foreign-Trade Zone 39—Dallas/Fort Worth, TX; Application for Expansion of Manufacturing Authority—Subzone 39C Sanden International (USA), Inc., Facilities Wylie, Texas (Motor Vehicle Air-Conditioner Components)

A application has been submitted to the Foreign-Trade Zones Board (the Board) by the Dallas/Fort Worth International Airport Board, grantee of FTZ 39, requesting an expansion of the scope of manufacturing authority to include new manufacturing capacity under FTZ procedures and requesting authority to expand Subzone 39C at the Sanden International (USA), Inc. (Sanden), facility in Wylie, Texas. It was formally filed on February 14, 2001.

Subzone 39C was approved by the Board in 1993 with authority granted for the manufacture of air-conditioner compressors, evaporator coils, and related components (1.3 million units/year) for use in motor vehicles, trucks and heavy equipment at Sanden's manufacturing plant (95 acres/437,000 sq. ft.) in Wylie, Texas (Board Order 666, 59 FR 60, 1–3–94).

The applicant is now requesting authority to expand the subzone to include a new 13-acre site (''Miller Road'' facility) with an additional 178,000 square feet of manufacturing/warehouse space located at 10710 Sanden Drive in Dallas, Texas. Under Sanden's current expansion plan, the production and warehousing area under FTZ procedures would be increased to a total of 615,000 square feet. Activity at the facilities (841 employees) involves machining and assembly of compressors, clutches, and evaporator coils. Components sourced from abroad include: clutch assemblies, crankshafts, pistons, castings, gears, heat insulators, rotor shafts/assemblies, centering balls, rings, electrical switches, coil covers, housings, fan/motor assemblies, gaskets, armature plates, rubber seals and dampers, bearings, plugs, pulleys, valves and retainers, fasteners, springs, sleeves, clamps, bushings, dust covers, caps, coil rings and windings, felt rings, and labels (duty rate range: free–9.9%), representing some 40 percent of total purchases.

FTZ procedures exempt Sanden from Customs duty payments on the foreign components used in export production (some 450,000 units/year, about 19% of total U.S. production). On its domestic sales, the company is able to choose the duty rate that applies to finished air-conditioner compressors and related components (duty free) for the foreign components noted above. Foreign status and domestic status merchandise destined for export would be exempt from certain local *ad valorem* inventory taxes. The request indicates that the savings from FTZ procedures will continue to help improve the facilities' international competitiveness.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment on the application is invited from interested parties. Submissions (original and three copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is April 30, 2001. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to May 14, 2001.

A copy of the application will be available for public inspection at the following location:

Office of the Executive Secretary, Foreign-Trade Zones Board, Room 4008, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW, Washington, DC 20230.

Dated: February 14, 2001.

Dennis Puccinelli,

Executive Secretary.

[FR Doc. 01–4773 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–809]

Certain Circular Welded Non-Alloy Steel Pipe From the Republic of Korea; Initiation of Changed Circumstances Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of Initiation of Changed Circumstances Antidumping Duty Administrative Review.

SUMMARY: In response to a letter from Hyundai Pipe Co., Ltd. notifying the Department of Commerce that its corporate name would be changing to Hyundai Steel Company, the Department of Commerce is initiating a changed circumstances administrative review of the antidumping duty order on certain circular welded non-alloy

steel pipe from the Republic of Korea (*see Notice of Antidumping Orders: Certain Circular Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea (''Korea''), Mexico, and Venezuela and Amendment to Final Determination of Sales at Less Than Fair Value: Certain Welded Non-Alloy Steel Pipe from Korea* (57 FR 49453, November 2, 1992)).

EFFECTIVE DATE: February 27, 2001.

FOR FURTHER INFORMATION CONTACT: Suresh Maniam or Sibel Oyman, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–0176 and (202) 482–1174, respectively.

Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the ''Act''), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department of Commerce's (''Department'') regulations are to 19 CFR Part 351 (2000).

SUPPLEMENTARY INFORMATION:

Background

On January 5, 2001, a respondent in this proceeding, Hyundai Pipe Co., Ltd. (''HDP'') notified the Department that as of February 1, 2001, its corporate name would change to Hyundai Steel Company (''Hyundai Hysco''). HDP stated that the corporate structure would not change and that all owners, management, production facilities, suppliers and customers will stay the same. HDP provided documentation to support this claim, consisting of an official announcement and a press article noting the name change. On February 9, 2001, HDP submitted the following supplementary information documenting the name change: a public announcement; minutes of the shareholders' meeting; a relevant portion from its draft 2000 financial statements; new business registration certificates for the Seoul office, head office/pipe production facility, and cold-rolling mill; a list of identical pre- and post-name change organizational charts and articles of association; a list of identical pre- and post-name board of directors; and a list of identical pre- and post-name change suppliers and customers. On February 15, 2001, HDP further confirmed that its change in name was not a result of a merger, acquisition, or change in corporate structure.

The information submitted by Hyundai shows changed circumstances sufficient to warrant a review. Therefore, we are initiating a changed circumstances administrative review pursuant to section 751(b)(1) of the Act to determine whether entries naming Hyundai Hysco as manufacturer or exporter should receive the cash deposit rate currently applied to HDP.

Scope of the Review

The merchandise subject to this review is circular welded non-alloy steel pipe and tube, of circular cross-section, not more than 406.4mm (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded, or threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air-conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing applications, such as for fence tubing, and as structural pipe tubing used for framing and as support members for reconstruction or load-bearing purposes in the construction, shipbuilding, trucking, farm equipment, and other related industries. Unfinished conduit pipe is also included in this order.

All carbon-steel pipes and tubes within the physical description outlined above are included within the scope of this review except line pipe, oil-country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit. In accordance with the Department's *Final Negative Determination of Scope Inquiry on Certain Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, the Republic of Korea, Mexico, and Venezuela* (61 FR 11608, March 21, 1996), pipe certified to the API 5L line-pipe specification and pipe certified to both the API 5L line-pipe specifications and the less-stringent ASTM A–53 standard-pipe specifications, which falls within the physical parameters as outlined above, and entered as line pipe of a kind used for oil and gas pipelines is outside of the scope of the antidumping duty order.

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule of the United States (''HTSUS'') subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheadings are provided for convenience and Customs Service purposes, our written description of the scope of this proceeding is dispositive.

Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Act, the Department will conduct a changed circumstances review upon receipt of information concerning, or a request from an interested party of, an antidumping duty order which shows changed circumstances sufficient to warrant a review of the order.

HDP has notified the Department that its corporate name has changed and that no changes have occurred with respect to ownership, management, production facilities, suppliers or customers. We therefore find good cause to conduct a changed circumstances review. See 19 CFR 351.216(c). Therefore, in accordance with section 751(b)(1) of the Act and 19 CFR 351.216(b) and 351.221(b)(1), we are initiating a changed circumstances review based upon the information contained in HDP's submissions.

The Department will publish in the **Federal Register** a notice of preliminary results of changed circumstances antidumping duty administrative review, in accordance with 19 CFR 351.221(b)(4) and 351.221(c)(3)(i), which will set forth the Department's preliminary factual and legal conclusions. The Department will issue its final results of review in accordance with the time limits set forth in 19 CFR 351.216(e).

This notice is in accordance with section 751(b)(1) of the Act.

Dated: February 20, 2001.

Richard W. Moreland,

Deputy Assistant Secretary for Import Administration, Group 1.

[FR Doc. 01–4772 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–001]

Potassium Permanganate From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of preliminary results of antidumping duty administrative review of potassium permanganate from the People's Republic of China.

SUMMARY: In response to a timely request for an administrative review submitted by the respondent, Provincial Chemicals Import & Export Corporation (''Guizhou''), and its supplier of potassium permanganate, the Zunyi Chemical Factory (''Zunyi''), the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on potassium permanganate from the People's Republic of China (''PRC''). The period of review (''POR'') is January 1, 1999, through December 31, 1999. The Department has preliminarily determined that the sale of subject merchandise during the POR was made below normal value (''NV''). If the preliminary results are adopted in our final results of review, we will instruct the U.S. Customs Service (''Customs'') to assess antidumping duties on the entry.

The Department invites interested parties to comment on the preliminary results.

EFFECTIVE DATE: February 27, 2001.

FOR FURTHER INFORMATION CONTACT: Paul Stolz or Howard Smith, AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–4474 and (202) 482–5193, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended, (''the Act'') are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations at 19 CFR part 351 (April 1999).

Background

On January 31, 1984, the Department published in the **Federal Register** (49 FR 3897) the antidumping duty order on potassium permanganate from the PRC. On January 13, 2000, the Department published in the **Federal Register** (65 FR 2114) a notice of opportunity to request administrative reviews of this antidumping duty order. On January 14, 2000, one exporter and one producer of potassium permanganate, Guizhou and Zunyi, respectively, requested that the Department conduct an administrative review of Guizhou's exports of the subject merchandise. The Department published a notice of initiation of this review on February 28, 2000 (65 FR 10466).

On March 13, 2000, the Department issued its antidumping questionnaire to Guizhou. Guizhou responded to the Department's questionnaire during May 2000, and submitted responses to the Department's June and August, 2000 supplemental questionnaires during July and August, 2000, respectively. On August 1, 2000, the petitioner, Carus Chemical Company (''Carus'' or ''the petitioner''), submitted publicly available information and comments for consideration in valuing the factors of production used in our NV calculations. On August 31, 2000, the petitioner requested that the Department rescind the review because the sale under review is not *bona fide*. For details regarding *bona fide* sale issue and the request to rescind the review, see the ''Recision Request and *Bona Fide* Sale Issue'' section of this notice below. On January 11, 2001, Guizhou submitted publicly available information and comments regarding factor values.

Pursuant to section 751(a)(3)(A) of the Act, the Department has determined that it is not practicable to complete this review within 245 days after the last day of the anniversary month of the order, and thus, has extended the time limit for the preliminary results until January 30, 2001. *See Potassium Permanganate From the People's Republic of China: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review,* 65 FR 54227, (September 7, 2000).

The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of the Review

Imports covered by this review are shipments of potassium permanganate, an inorganic chemical produced in free-flowing, technical, and pharmaceutical grades. During the review period, potassium permanganate was classifiable under item 2841.60.0010 of the Harmonized Tariff Schedule (''HTS''). The HTS item number is provided for convenience and Customs purposes. The written description remains dispositive.

Rescission Request and Bona Fide Sale Issue

The petitioner claims that the only sale under review is not *bona fide*, and thus, the review should be rescinded. This claim is primarily based upon the petitioner's allegation that the sale involved a fraudulent and illegal shipping scheme. On November 3, 2000, the Department requested that interested parties comment on discrepancies involving certain shipping documents and submit information regarding the shipment of the subject merchandise to the United States. The Department received parties' submissions regarding the shipment during November and December, 2000, and January 2001. After an examination of the record, we do not find sufficient evidence indicating that the sale under review is not a *bona fide* sale, and thus, preliminarily, we are not rescinding this administrative review. For a full discussion of this issue, see the memorandum: *Bona Fide* Sale and Rescission of Review, dated January 30, 2001, the public version of which is on file in the Central Records Unit, room B–099 of the main Department of Commerce building (''CRU-Public File'').

Verification

As provided in section 782(i) of the Act, we verified sales and factor information provided by Guizhou and its supplier of potassium permanganate, Zunyi, using standard verification procedures, including on-site inspection of the manufacturer's facilities, examination of relevant sales and financial records, and selection of relevant source documentation as exhibits. Our verification findings are detailed in the report regarding the verification of Guizhou and Zunyi dated January 30, 2001, the public version of which is on file in the CRU-Public File.

Separate Rates Determination

To establish whether a company operating in a non-market economy (''NME'') is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (''*Sparklers*''), as amplified by the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China,* 59 FR 22585 (May 2, 1994) (''*Silicon Carbide*''). Under this test, companies in a NME country are entitled to separate, company-specific margins when they can demonstrate an absence of government control, both in law and in fact, with respect to export activities. *See Sparklers,* 56 FR at 20589. Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export

activities includes: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. *Id. De facto* absence of government control over exports is based on four factors: (1) Whether each exporter sets its own export prices independent of the government and without the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or financing of losses; (3) whether each exporter has the authority to negotiate and sign contracts and other agreements; and (4) whether each exporter has autonomy from the government regarding the selection of management. *See Silicon Carbide,* 59 FR at 22587; *see also Sparklers* 56 FR at 20589.

It is the Department's policy to evaluate separate rates questionnaire responses each time a respondent makes a separate rates claim, regardless of any separate rate the respondent received in the past. *See Manganese Metal From the People's Republic of China, Final Results and Partial Rescission of Antidumping Duty Administrative Review,* 63 FR 12441 (March 13, 1998). In the instant review, Guizhou submitted complete responses to the separate rates section of the Department's questionnaire. The evidence submitted in this review by Guizhou includes government laws and regulations on corporate ownership, business licences, and narrative information regarding the company's operations and selection of management. This evidence is consistent with the Department's findings in previous reviews and supports a finding that control of companies in the PRC has been decentralized and that the respondent company's operations are, in fact, autonomous from the PRC government. Therefore, we preliminarily find that Guizhou is entitled to a separate rate.

Fair Value Comparisons

To determine whether the respondent's sale of subject merchandise was made at less than fair value, we compared the export price to the normal value, as described in the *Export Price* and *Normal Value* sections of this notice, below.

Export Price

In accordance with section 772(a) of the Act, the Department calculated an export price (''EP'') for the sale to the United States because the subject merchandise was sold directly to an unaffiliated customer in the United States prior to importation and constructed export price methodology was not otherwise indicated. We made deductions from the sales price for foreign inland freight, foreign brokerage and handling, and domestic inland insurance. Each of these services was provided by a NME vendor, and thus, we based the deductions for these movement charges on surrogate values.

We valued foreign brokerage and handling using Indian values that were reported in the public version of the questionnaire response placed on the record in *Certain Stainless Steel Wire Rod from India; Preliminary Results of Antidumping Duty Administrative and New Shipper Review,* 63 FR 48184 (September 9, 1998) (''*India Wire Rod*''). We valued domestic inland insurance using the Department's recently revised Index of Factor Values for Use in Antidumping Duty Investigations Involving Products from the PRC (available on the Department's website). We identify the source used to value foreign inland freight in the *Normal Value* section of this notice, below. We accounted for inflation or deflation between the time period that the values for movement charges were in effect and the POR, as described below in the *Normal Value* section of this notice.

Normal Value

For exports from NME countries, section 773(c)(1) of the Act provides that the Department shall determine NV using a factors of production (''FOP'') methodology if: (1) the subject merchandise is exported from an NME country, and (2) available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. Section 351.408 of the Department's regulations sets forth the methodology used by the Department to calculate the NV of merchandise exported from NME countries. In every case conducted by the Department involving the PRC, the PRC has been treated as an NME. Since none of the parties to this proceeding contested such treatment, we calculated NV in accordance with section 773(c)(3) and (4) of the Act and section 351.408(c) of the Department's regulations.

In accordance with section 773(c)(3) of the Act, the FOP utilized in producing potassium permanganate include, but are not limited to: (1) hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs, including depreciation. In accordance with section 773(c)(4) of the Act, the Department valued the FOP, to the extent possible, using the costs of the FOP in a market economy that is (1) at a level of economic development comparable to the PRC, and (2) a significant producer of comparable merchandise. We determined that India is comparable to the PRC in terms of per capita gross national product, the growth rate in per capita income, and the national distribution of labor. Furthermore, India is a significant producer of comparable merchandise. *See Memorandum From Jeff May, Director, Office of Policy, to Holly Kuga, Senior Office Director, AD/CVD Enforcement,* dated March 20, 2000, which is on file in the CRU-Public File.

In accordance with section 773(c)(1) of the Act, for purposes of calculating NV, we attempted to value the FOP using surrogate values that were in effect during the POR. However, when we were unable to obtain surrogate values in effect during the POR, we adjusted the values, as appropriate, to account for inflation or deflation between the effective period and the POR. We calculated the inflation or deflation adjustments for all factor values, except labor, using the wholesale price indices (''WPI'') for India as published in the International Monetary Fund's (''IMF'') publication, *International Financial Statistics.* We valued the FOP as follows:

(1) We valued the direct materials, potassium hydroxide and manganese dioxide used to produce potassium permanganate using price quotes from 1999 issues of *Chemical Weekly,* an Indian publication that lists chemical prices. We valued the direct material limestone using the rupee per metric ton or rupee per kilogram value of imports that entered India during the months of January, April, and May 1999, as published in the *Monthly Statistics of the Foreign Trade of India,* Volume II—Imports (''*Indian Import Statistics*'').[1]

(2) We valued the material, caustic soda, used to treat (soften) water, using price quotes from 1999 issues of *Chemical Weekly.* We valued the materials lime and alum, used to treat (soften) water, using the rupee per metric ton or rupee per kilogram value of imports that entered India during the months of April 1998 through January 1999 for alum, and January, April, and May 1999 for lime, as published in *Indian Import Statistics.* We adjusted

[1] For each of the FOP, we were able to find POR Indian import statistics only for the months January, April, and May, 1999.

the value for alum to account for inflation. These materials were not reported in respondent's submission but were identified at verification (see *Verification Report).*

(3) We valued coal using the rupee per metric ton or rupee per kilogram value of imports that entered India during the months of January, April, and May 1999, as published in *Indian Import Statistics.*

(4) We valued electricity using the 1997 Indian electricity prices for industrial use as reported by the International Energy Agency (''IEA''), as adjusted for inflation. This rate is available in the IEA publication *Energy, Prices and Taxes, 2nd Quarter 2000.*

(5) We valued labor using a regression-based wage rate, in accordance with 19 CFR 351.408(c)(3). This rate is identified on the Import Administration's web site. *See http://ia.ita.doc.gov/wages.*

(6) We derived ratios for factory overhead, selling, general and administrative (''SG&A'') expenses, and profit using information reported for 1992–1993 in the *Reserve Bank of India Bulletin* of January 1997. From this information, we were able to calculate factory overhead as a percentage of direct materials, labor, and energy expenses; SG&A expenses as a percentage of the total cost of manufacturing; and profit as a percentage of the sum of the total cost of manufacturing and SG&A expenses.

(7) We valued packing materials, including polyethylene plastic bags, nylon wires, and iron drums using the rupee per metric ton or rupee per kilogram value of imports that entered India during the months of January, April, and May 1999 for polyethylene plastic bags and nylon wires, and during the months of April 1998 through March 1999 for iron drums, as published in *Indian Import Statistics.* We adjusted the value for iron drums to account for inflation.

(8) We used the following sources to value truck and rail freight services incurred to transport the finished product to the port and direct materials, packing materials, and coal from the suppliers of the inputs to Zunyi:

Truck Freight: We valued truck freight services using the 1999 rate quotes reported by Indian freight companies. *See Notice of Final Determination of Sales at Less Than Fair Value: Bulk Aspirin From the People's Republic of China,* 65 FR 33805 (May 25, 2000).

Rail Freight: We valued rail freight services using the April 1995 rates published by the Indian Railway Conference Association, as adjusted for inflation. For further discussion of the surrogate values used in this review, see *Memorandum From Timothy Finn Regarding Surrogate Values Used for the Preliminary Results of the Administrative Review of Potassium Permanganate from the People's Republic of China,* (January 30, 2001), which is on file in the CRU-Public File.

Preliminary Results of the Reviews

As a result of our review, we preliminarily determine that the following dumping margins exist for the period January 1, 1999 through December 31, 1999:

Exporter/Manufacturer	Margin (percent)
Guizhou Provincial Chemicals Import & Export Corporation ...	132.11
PRC Wide-Rate	128.54

The Department will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of the results. An interested party may request a hearing within 30 days of publication of the preliminary results. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit written comments (case briefs) within 30 days of the date of publication of this notice, in accordance with 19 CFR 351.309(c)(1)(ii). Rebuttal comments (rebuttal briefs), which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication of this notice. Parties who submit arguments are requested to submit with the argument (1) a statement of the issue, (2) a brief summary of the argument and (3) a table of authorities. Further, the Department requests that parties submitting written comments provide the Department with a diskette containing the public version of those comments. The Department will publish a notice of the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days of publication of the preliminary results.

The final results of this review shall be the basis for the assessment of antidumping duties on the entry of merchandise covered by this review and for future deposits of estimated duties.

Duty Assessment Rate

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), we have an calculated importer-specific *ad valorem* duty assessment rate based on the ratio of the total amount of the dumping margin calculated for the examined sale to the total entered value of the sale. In order to estimate the entered value, we subtracted international movement expenses from the gross sales value. In accordance with 19 CFR 351.106(c)(2), we will instruct Customs to liquidate without regard to antidumping duties any entries for which the assessment rate is de minimis, i.e., less than 0.5 percent. The Department will issue appraisement instructions directly to Customs.

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of potassium permanganate from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice, as provided for by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed company named above will be the rate established for that company in the final results of this administrative review; (2) for any previously reviewed PRC or non-PRC exporter with a separate rate not covered in this review, the cash deposit rate will be the company-specific rate established for the most recent period; (3) for all other PRC exporters, the cash deposit rates will be the PRC-wide rates established in the final results of this review; and (4) the cash deposit rates for non-PRC exporters of subject merchandise from the PRC will be the rates applicable to the PRC supplier of that exporter. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification to Interested Parties

This notice serves as a preliminary reminder to importers of their responsibility under section 351.402(f) of the Department's regulations to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing this determination in accordance with sections 751(a)(1) and 777(i)(1) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties of the

Assistant Secretary for Import Administration.

Dated: January 30, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, AD/CVD Enforcement II.

[FR Doc. 01–4770 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–428–820]

Small Diameter Circular Seamless Carbon and Alloy Steel Standard Line and Pressure Pipes From Germany; Notice of Amended Final Results of Antidumping Duty Administrative Review in Accordance With Final Court Decision

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of Amended Final Results of Administrative Review in Accordance with Final Court Decision on Small Diameter Circular Seamless Carbon and Alloy Steel Standard Line and Pressure Pipes from Germany.

EFFECTIVE DATE: February 27, 2001.

FOR FURTHER INFORMATION CONTACT: Nancy Decker or Phyllis Hall, AD/CVD Enforcement Group III, Office VII, Room 7866, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0196 or (202) 482–1398, respectively.

SUMMARY: On October 5, 2000, the U.S. Court of International Trade (the Court) affirmed the Department of Commerce's (the Department) remand determination of the final results of the antidumping duty administrative review of Small Diameter Circular Seamless Carbon and Alloy Steel Standard Line and Pressure Pipes from Germany. As no further appeals have been filed and there is now a final and conclusive court decision in this action, we are amending our final results.

SUPPLEMENTARY INFORMATION:

Background

On March 18, 1998, the Department published the final results of the administrative review in small diameter circular seamless carbon and alloy steel standard line and pressure pipes from Germany (63 FR 13217) (*Final Results*), covering the period January 27, 1995 through July 31, 1996. On April 27, 1998, the Department published the amended final results of the administrative review in small diameter circular seamless carbon and alloy steel standard line and pressure pipes from Germany (63 FR 20579) (*Amended Final Results*).

Respondent Mannesmann challenged the Department's final results on three issues: (1) the Department's interpretation of sections 773(f)(2) and (3) of the Act; (2) the Department's use of adverse facts available to value Mannesmann's purchases of steel billets from an affiliated supplier; and (3) the use of adverse facts available to value the amount of U.S. customs duties paid by Mannesmann. In the *Final Results,* the Department, pursuant to sections 773(f)(2) and (3) of the Act, used the highest of the transfer price, cost of production or market value to value the billets purchased from an affiliated supplier. The Department concluded that because Mannesmann had not acted to the best of its ability to comply with the Department's information requests, the application of the higher market value to value the billets purchased from its affiliated supplier as adverse facts available was warranted. The Department determined adverse facts available was warranted because of Mannesmann's lack of response to the Department's request for market price information for any purchases of the identical input from unaffiliated suppliers, and the discovery at verification that Mannesmann did make such a purchase of an identical input from both its affiliated supplier and an unaffiliated supplier. The Department utilized the purchase price of the purchase discovered at verification as market value and used this information as facts available to determine market value for the other types of billets because there was no other market value information on the record for the other types of billets. In addition, the Department found that the use of adverse facts available was appropriate for the final results. Therefore, the Department applied this market value adjustment to all purchases from affiliated suppliers. To value the customs duties Mannesmann paid on its U.S. sales in the *Final Results,* the Department used as adverse facts available, the highest U.S. duty amounts reported by Mannesmann for those instances where it was unable to exactly verify Mannesmann's duty rates. The Department applied adverse facts available because it discovered at verification that Mannesmann had under-reported its U.S. duties paid on a number of entries, and because Mannesmann could not recreate or explain the allocation methodologies it used to derive its figures. Thus, for the Final Results, the Department determined a dumping margin of 22.12 percent for the period of review (POR), based on adverse facts available. On October 29, 1999, the court remanded these final results. *See Mannesmannrohren-Werke AG* v. *United States,* 77 F.Supp.2d 1302 (CIT 1999).

The court upheld the Department's interpretation of sections 773(f)(2) and (3) of the Act as allowing the Department to use the highest of the transfer price, cost of production or market price to value an input from an affiliated supplier and affirmed the Department's practice. However, the Court also found that the evidence cited by the Department was insufficient to justify the use of adverse facts available to value Mannesmann's billet purchases from its affiliated suppliers. Similarly, the Court also found that the record evidence identified by the Department did not support the use of adverse facts available to value the U.S. duties paid by Mannesmann. Therefore, the Court ordered the Department to reevaluate its use of adverse facts available and either identify substantial evidence in support of its conclusion that Mannesmann failed to cooperate by not acting to the best of its ability in providing information about input purchases from both affiliated and non-affiliated parties, or otherwise apply non-adverse facts available. The Court also ordered the Department to identify other record evidence to support the use of adverse facts available to value the U.S. duties paid by Mannesmann or otherwise use non-adverse facts available. The Department issued its remand determination on January 27, 2000. *See Remand Determination: Mannesmannrohren-Werke AG* v. *United States,* Court No. 98–04–00886 (hereinafter ''Remand Results'' or RR). In this remand determination, the Department citing additional record evidence, continues to calculate a dumping margin based on adverse facts available for the value of Mannesmann's purchases of steel billets from an affiliated supplier. However, the Department used non-adverse facts available to value the customs duties Mannesmann paid on its U.S. sales.

On October 5, 2000 the Court affirmed the Department's remand results, upholding the use of adverse facts available in valuing Mannesmann's billet purchases, and the application of non-adverse facts available in determining the value of U.S. duties paid. *See Mannesmannrohren-Werke*

AG vs. *United States,* Slip Op. 00–126 (CIT, October 5, 2000). Pursuant to the Court's order, we have placed on the record in this case the margin calculation program using adverse facts available for billet purchases and non-adverse facts available for duties paid by Mannesmann.

Amendment to Final Results of Review

Because no further appeals have been filed and there is now a final and conclusive decision in the court proceeding, effective as of the publication date of this notice, we are amending the *Final Results,* and establishing the following revised dumping margin:

SMALL DIAMETER CIRCULAR SEAMLESS CARBON AND ALLOY STEEL STANDARD AND PRESSURE PIPE FROM GERMANY (POR 1995–1996)

Producer/manufacturer/exporter	Weighted-average margin
Mannesmann	20.08%

The ''All Others Rate'' was not affected by the Remand Determination, and remains at 57.72 percent. *See Final Results* (FR 63 13217).

The Department will instruct the Customs Service to assess these revised antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to the Customs Service.

This notice is published in accordance with section 751(a) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties of the Assistance Secretary for Import Administration.

Dated: February 16, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, Import Administration.

[FR Doc. 01–4771 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

ACTION: Notice of Amendment to Previously Published Notice.

SUMMARY: The Office of Export Trading Company Affairs (''OETCA''), International Trade Administration, Department of Commerce, received an application to amend an Export Trade Certificate of Review (''Certificate''). This notice amends a previous notice published December 20, 2000 (65 FR 79803).

FOR FURTHER INFORMATION CONTACT: Vanessa M. Bachman, Acting Director, Office of Export Trading Company Affairs, International Trade Administration, (202) 482–5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. 4001–21) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. An Export Trade Certificate of Review protects the holder and the members identified in the Certificate from state and federal government antitrust actions and from private treble damage antitrust actions for the export conduct specified in the Certificate and carried out in compliance with its terms and conditions. Section 302(b) (1) of the Export Trading Company Act of 1982 and 15 CFR 325.6(a) require the Secretary to publish a notice in the **Federal Register** identifying the applicant and summarizing its proposed export conduct.

Request for Public Comments

Interested parties may submit written comments relevant to the determination whether an amended Certificate should be issued. If the comments include any privileged or confidential business information, it must be clearly marked and a nonconfidential version of the comments (identified as such) should be included. Any comments not marked privileged or confidential business information will be deemed to be nonconfidential. An original and five (5) copies, plus two (2) copies of the nonconfidential version, should be submitted no later than 20 days after the date of this notice by email to oetca@ita.doc.gov, or by mail to: Office of Export Trading Company Affairs, International Trade Administration, Department of Commerce, Room 1104, Washington, D.C. 20230. Information submitted by any person is exempt from disclosure under the Freedom of Information Act (5 U.S.C. 552). However, nonconfidential versions of the comments will be made available to the applicant if necessary for determining whether or not to issue the Certificate. Comments should refer to this application as ''Export Trade Certificate of Review, application number 88–4A012.''

The National Tooling and Machining Association (''NTMA'') original Certificate was issued on October 18, 1988 (53 FR 43140, October 25, 1988), and was last amended on May 5, 2000 (65 FR 30073, May 10, 2000).

Summary of the Application: Item 1 of the notice published December 20, 2000 (65 FR 79803) is amended to read: (1) the attached list will constitute the ''Members'' of the Certificate within the meaning of section 325.2(1) of the Regulations (15 CFR 325.2(1)). Item 2) of the notice published December 20, 2000 (65 FR 79803) is deleted due to the fact that the attached list takes into account such deletions.

Dated: February 15, 2001.

Vanessa M. Bachman,

Acting Director, Office of Export Trading Company Affairs.

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012

A & A Industries, Inc	Peabody, MA
A & A Machine Company, Inc	Southampton, PA
A & A Machine Shop, Inc	La Marque, TX
A & B Machine	Van Nuys, CA
A & B Machine Shop	Rockford, IL
A & B Tool & Manufacturing Corp	Toledo, OH
A & D Precision	Fremont, CA
A & E Custom Manufacturing	Kansas City, KS
A & E Machine Shop, Inc	Lone Star, TX
A & G Machine, Inc	Auburn, WA
A & S Tool & Die Company, Inc	Kernersville, NC
A A Precisioneering, Inc	Meadville, PA
A B A Division	Manchester, CT
A B C 0 Tool & Engineering	Phoenix, AZ
A B Heller, Inc	Milford, MI

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

A B N Industrial Co., Inc	Buena Park, CA
A B R Enterprises Inc	South Pasadena, CA
A. C. Cut-Off, Inc	Azusa, CA
A C Machine, Inc	Akron, OH
A E Machine Works, Inc	Houston, TX
A F C Tool Company, Inc	Dayton, OH
A I M Tool & Die	Grand Haven, MI
AMA Plastics	Corona, CA
A M C Precision, Inc	N. Tonawanda, NY
A M Design	E. Canton, OH
A M Machine Company, Inc	Baltimore, MD
A Mfg	Grand Terrace, CA
APEC, LLC	Hingham, MA
A S C Corporation	Owings Mills, MD
ATC Distribution Group	Louisville, KY
A+ Engineering	Ipswich, MA.
A-G Tool & Die	Miamitown, OH
A-Line Tool & Die, Inc	Louisville, KY
A-RanD, Inc	Phoenix, AZ
ABBEC Manufacturing	Rochester, NY
Abbott Machine & Tool, Inc	Toledo, OH
Abbott Tool, Inc	Toledo, OH
Ability Tool Company	Rockford, IL
Able Wire EDM, Inc	Brea, CA
Abrams Airborne Manufacturing	Tucson, AZ
Absolute Manufacturing	N. Chelmsford, MA
Acadiana Hydraulic Works, Inc	New Iberia, LA
Accu Die & Mold Inc	Stevensville, MI
Accu-Roll, Inc	Rochester, NY
AccuCraft	New Haven, MO
Accudynamics, Inc	Middleboro, MA
Accudyne Aerospace & Defense	Palm Bay, FL
Accura Industries, Inc	Rochester, NY
Accurate Grinding Corp	Warwick, RI
Accurate Grinding & Mfg. Corp	Los Angeles, CA
Accurate Machining	Mukilteo, WA
Accurate Manufacturing Company	Glendale, CA
Accurate Manufacturing Company	Alsip, IL
Accurate Products Co	Tucson, AZ
Accurite Machine & Mfg. Inc	Louisville, KY
Accutronics, Inc	Littleton, CO
Ace Manufacturing Company	Cincinnati, OH
Ace Specialty Company, Inc	Tonawanda, NY
Ackley Machine Corporation	Moorestown, NJ
Acme Brass & Machine Works, Inc	Kansas City, MO
ACMT, Inc. dba A C Tool & Machine	Louisville, KY
Acraloc Corporation	Oak Ridge, TN
Acro Industries, Inc	Rochester, NY
Acro Tool & Die Company, Inc	Akron, OH
Actco Tool & Mfg. Co	Meadville, PA
Action Die & Tool Inc	Wyoming, MI
Action Mold & Machining, Inc	Grand Rapids, MI
Action Precision Grinding Inc	North Tonawanda, NY
Action SuperAbrasive Products	Brimfield, OH
Action Tool & Die Inc	Rockford, IL
Active Tool Company	Meadville, PA
Acucut, Inc	Southington, CT
Acutec Precision Machining Inc	Saegertown, PA
Ada Machine Company, Inc	Santa Clara, CA
Adams Engineering, Division of	South Bend, IN
Adaptive Technologies Inc	Springboro, OH
Addison Precision Mfg. Corp	Rochester, NY
Adena Tool Corporation	Dayton, OH
Admill Machine Company	Newington, CT
Adron Tool Corporation	Menomonee Falls, WI
Advance Gear & Machine Corp	Gardena, CA
Advance Manufacturing Corp	Cleveland, OH
Advance Manufacturing Technology	Salt Lake City, UT
Advanced Ceramic Technology	Orange, CA
Advanced Composite Products	Huntington Beach, CA
Advanced Cutting Tools, Inc	Clio, MI
Advanced Machine & Eng. Co	Rockford, IL
Advanced Machine Programming	Morgan Hill, CA
Advanced Machining Corporation	Salisbury, NC

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Advanced Measurement Labs, Inc	Sun Valley, CA
Advanced Mold & Tooling Inc	Rochester, NY
Advanced Tooling Systems, Inc	Comstock Park, MI
Advantage Mold & Design	Meadville, PA
Aero Comm Machining	Wichita, KS
Aero Design & Manufacturing Co	Phoenix, AZ
Aero Engineering & Mfg. Company	Valencia, CA
Aero Gear, Inc	Windsor, CT
Aero Machining Company	Garden Grove, CA
Aero Mechanical Engineering, Inc	Huntington Beach, CA
Aero-Tech Engineering, Inc	Wichita, KS
Aerofab, Inc	Tucson, AZ
Aerostar Aerospace Inc	Phoenix, AZ
Aetna Machine Company	Cochranton, PA
Aggressive Tool & Die, Inc	Buckner, KY
Agrimson Tool Company	Brooklyn Park, MN
Ahaus Tool & Engineering, Inc	Richmond, IN
Aimco Precision, Inc	Phoenix, AZ
Airfoil Technology, Inc	Gilbert, AZ
Airmetal Corporation	Jackson, MI
Ajax Tool, Inc	Fort Wayne, IN
Akro Tool Co., Inc	Cincinnati, OH
Akron Steel Fabricators Company	Akron, OH
Akron Tool & Die Company, Inc	Akron, OH
Alamance Machine Company, Inc	Burlington, NC
Alart Tool & Die, Inc	Houston, TX
Albertson & Hem, Inc	Wichita, KS
Albion Machine & Tool Company	Albion, MI
Alco Manufacturing, Inc	Santa Ana, CA
Alfred Manufacturing Company	Denver, CO
Alfro Custom Manufacturing	Waterbury, CT
Alger Machine Company, Inc	Rochester, NY
Alignment Engineering Co., Inc	Knoxville, TN
ALKAB Contract Manufacturing, Inc.	New Kensington, PA
All Five Tool Company, Inc	Bristol, CT
All Tool Company	Union, NJ
All Tools Company	Oklahoma City, OK
All Tools Texas, Inc	Houston, TX
All Weld Machine	Milpitas, CA
All-Tech Machine & Eng., Inc	San Jose, CA
All-Tech Machining, Inc	Wilmer, AL
Allen Aircraft Products, Inc	Ravenna, OH
Allen Precision Industries, Inc	Asheboro, NC
Allen Precision Machining Co	Angleton, TX
Allen Randall Enterprises, Inc	Akron, OH
Alliance Machine Tool Co., Inc	Louisville, KY
Allied Mechanical Products	Ontario, CA
Allied Screw Products, Inc	Mishawaka, IN
Allied Tool & Die Company, LLC	Phoenix, AZ
Allied Tool & Die, Inc	Cleveland, OH
Allied Tool & Machine, Inc	Saginaw, MI
Allied Tool & Machine Company	Kernersville, NC
Allied Tools Of Texas	Houston, TX
Alloy Metal Products	Hayward, CA
Allstate Tool & Die, Inc	Rochester, NY
Almar Mfg. & Engineering, Inc	Garden Valley, CA
Alpha Mold Inc., LLC	Huber Heights, OH
Alpha Mold West Inc	Broomfield, CO
Alpha Precision Machining Inc	Kent, WA
Alpha Tool & Machine Company	Bellmawr, NJ
Alpha Tooling, Inc	Santa Fe Springs, CA
Alpine Precision, Inc	North Billerica, MA
Alro Specialty Metals	St. Louis, MO
Alt's Tool & Machine, Inc	Santee, CA
Alton Products, Inc	Maumee, OH
Alves Precision Engineered	Watertown, CT
Amatrol, Inc	Jeffersonville, IN
Ambel Precision Mfg. Corp	Bethel, CT
Ambox, Inc	Houston, TX
American Machine & Gundrilling, Co	Maple Grove, MN
American Metal Masters, Inc	Plantsville, CT
American Mfg. & Machining, Inc	Racine, WI
American Mold & Engineering Co	Fridley, MN
American Precision Machining	Phoenix, AZ

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

American Precision Technologies	San Fernando, CA
American Tool & Die, Inc	Toledo, OH
American Wire EDM, Inc	Orange, CA
Amerimold, Inc	Mogadore, OH
Ameritech Die & Mold, Inc	Mooresville, NC
Amity Mold Company	Tipp City, OH
Ampswiss Engineering	Fremont, CA
Anchor Lamina Inc	Madison Heights, MI
Anchor Tool & Die Company	Cleveland, OH
Anchor Tool & Die Company	Warren, MI
Anders Machine and Engraving	Rochester, NY
Anderson Tool & Engineering Co	Anderson, IN
Andrew Tool Company, Inc	Plymouth, MN
Anglo-American Mold, Inc	Louisville, KY
Angus LLC	Indianapolis, IN
Anmar Precision Components Inc	North Hollywood, CA
Anoplate Corporation	Syracuse, NY
Apex Precision Technologies, Inc	Camby, IN
Apex Machine Company	Ft. Lauderdale, FL
Apex Manufacturing, Inc	Phoenix, AZ
Apex Tool & Manufacturing, Inc	Evansville, IN
Apollo E.D.M. Company	Fraser, MI
Apollo Precision, Inc	Plymouth, MN
Apollo Products Inc	Willoughby, OH
Applegate EDM, Inc	Dallas, TX
Applied Engineering, Inc	Yankton, SD
Applied Technology Manufacturing	Rochester, NY
Aram Precision Tool & Die, Inc	Chatsworth, CA
Arc Drilling Inc	Garfield Heights, OH
Arca Systems	Tacoma, WA
Arco Industries, Inc	Dayton, OH
Arco Metals Corporation	Baltimore, MD
Ardekin Machine Company	Rockford, IL
Area Tool & Manufacturing, Inc	Meadville, PA
Aremco, Inc	Grand Rapids, MN
Argo Tool Corporation	Twinsburg, OH
Argus Machine, Inc	Tucson, AZ
Aries Tool, Inc	New Berlin, WI
Arkansas Tool & Die, Inc	North Little Rock, AR
Arken Manufacturing, Inc	Cleveland, OH
Arlington Machine & Tool Company	Fairfield, NJ
Arma Tool & Die Company, Inc	Ridgefield, CT
Armin Tool & Manufacturing Co	South Elgin, IL
Armstrong-Blum Mfg. Co	Mt. Prospect, IL
Armstrong Machine Works, Inc	Rogersville, TN
Armstrong Mold, Machining Div	East Syracuse, NY
Armstrong Technology, Inc	Sunnyvale, CA
Arnett Tool, Inc	New Paris, OH
Arrington Supply House, Inc	Tuscaloosa, AL
Arro Tool & Die, Inc	Lakewood, NY
Arrow Diversified Tooling, Inc	Ellington, CT
Arrow Grinding, Inc	Tonawanda, NY
Arrowsmith International, Inc	Southfield, MI
Artisan Machining, Inc	Bohemia, NY
Ascension Industries	North Tonawanda, NY
Ash Machine Corporation	Pataskala, OH
Aspen Precision Technologies	Petaluma, CA
Associated Electro-Mechanics	Springfield, MA
Associated Gear, Inc	Santa Fe Springs, CA
Associated Technologies	Brea, CA
Associated Toolmakers, Inc	Keokuk, IA
Associates Commercial Corp	Irving, TX
Astley Precision Machine Co	Irwin, PA
Astro Automation, Inc	Irwin, PA
Astro Machine Works Inc	Ephrata, PA
Astrotronics Inc	Mesa, AZ
AT Engineering & Mfg., Inc	Chatsworth, CA
Atec Engineering	Phoenix, AZ
Atec Tool & Engineering, Inc	Santa Clara, CA
Athens Industries	Southington, CT
Atkins Tool Company	Riverton, NJ
Atlantic Alloys, Inc	Bristol, RI
Atlantic Precision Products Inc	Biddeford, ME
Atlantic Tool & Die Company	Strongsville, OH

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Atlas Die & Manufacturing Co	Rockford, IL
Atlas Machine & Supply, Inc	Louisville, KY
Atlas Tool, Inc	Roseville, MI
August Machine, Inc	Phoenix, AZ
Austin Machine Company Inc	O'Fallon, MO
Austinburg Machine, Inc	Austinburg, OH
Austro Mold Incorporated	Rochester, NY
Autocam Corporation	Kentwood, MI
Automated Cells & Equipment, Inc	Painted Post, NY
Automated EDM Incorporated	Ramsey, MN
Automatic Stamp Products, Inc	Cleveland, OH
Automation Tool & Die, Inc	Brunswick, OH
Automation Tool Company	Cookeville, TN
Axian Technology	Phoenix, AZ
Axis Mfg. Inc	Tempe, AZ
Ay Machine Company	Ephrata, PA
Ay-Mac Precision, Inc	Yorba Linda, CA
Azbill Tool & Die, Inc	Huntington Beach, CA
B & A Design Inc	Vernon, CT
B & B Machine & Grinding Service	Denver, CO
B & B Manufacturing Company	Largo, FL
B & B Precision Mfg., Inc	Avon, NY
b & b Tool Company, Inc	Rockford, IL
B & E Tool Company, Inc	Southwick, MA
B & G Quality Machine & Tool	Baltimore, MD
B & H Fabricators, Inc	Wilmington, CA
B & H Tool Co. Inc	San Marcos, CA
B & H Tool Works, Inc	Richmond, KY
B & K Engineering, Inc	Mountain View, CA
B & L Tool and Machine Company	Plainville, CT
B & M Machine Corporation of Racine	Racine, WI
B & R Mold, Inc	Simi Valley, CA
B C D Metal Products Inc	Malden, MA
B J Williams Machining Co	Edinboro, PA
BMCO Industries Inc	Cranston, RI
B P I Corporation	Santa Clara, CA
BT Laser, Inc	Santa Clara, CA
B-W Grinding Service, Inc	Houston, TX
Babbitt Bearing, Inc	Syracuse, NY
Bachman Machine Company, Inc	St. Louis, MO
Bachmann Precision Machine	South El Monte, CA
Badge Machine Products, Inc	Canandaigua, NY
Baham & Sons Machine Works, Inc	Houston, TX
Bahrs Die & Stamping Company	Cincinnati, OH
Baker Hill Industries, Inc	Coral Springs, FL
Banner Machine Inc	Phoenix, AZ
Banner Tool & Die, Inc	Rockford, IL
Barberie Mold	Gardena, CA
Barile Precision Grinding Inc	Cleveland, OH
Basic VI	San Jose, CA
Bass Machining Inc	Baltimore, MD
Bateman Manufacturing Co., Inc	Hayward, CA
The Baughman Group	Louisville, KY
Baumann Engineering	Claremont, CA
Bawden Industries, Inc	Romulus, MI
Baxter Machine Products, Inc	Huntingdon, PA
Bay Industrial Machine	Green Bay, WI
Bayport Machine, Inc	La Porte, TX
Beach Mold & Tool, Inc	New Albany, IN
Beacon Tool Company, Inc	Whittier, CA
Beaver Fab Inc	Cedar Hill, TX
Beaver Tool & Machine Company, Inc	Feasterville, PA
The Bechdon Company, Inc	Upper Marlboro, MD
Bechier Cams, Inc	Anaheim, CA
Becker, Inc	Kenosha, WI
Becksted Machine, Inc	Tucson, AZ
Bedard Machine, Inc	Brea, CA
Bel-Kur, Inc	Temperance, MI
Belco Tool & Mfg., Inc	Meadville, PA
Belgian Screw Machine Products	Jackson, MI
Bell Engineering, Inc	Saginaw, MI
Beilco Precision Manufacturing	McKinney, TX
Beloit Precision Die Co. Inc	Beloit, WI
Benda Tool & Model Works	Hercules, CA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Bendon Gear Machine	Rockland, MA
Bennett Tool & Machine	Fremont, CA
Bennett Tool & Die Company	Nashville, TN
Benning Inc	Blame, MN
Bent River Machine Inc	Clarkdale, AZ
Berman Tool & Die	Waldorf, MD
Bermar Associates, Inc	Troy, MI
Bertram Tool & Machine Co., Inc	Farrell, PA
Best Tool & Manufacturing Co	Kansas City, MO
Best Way Stamping Inc	La Mirada, CA
Bestway Industries, Inc	Cleveland, OH
Beta Machine Co. Inc	Cleveland, OH
Beta Tool & Mold/Dyna-Tech	Wadsworth, OH
Bilar Tool & Die Corporation	Warren, MI
Billet Industries, Inc	York, PA
Bishop Steering Technology, Inc	Indianapolis, IN
Blackburn Melton Mfg. Company	Houston, TX
Blackwood Grinding Inc	Hurst, TX
Blandford Machine & Tool Co	Louisville, KY
Blue Chip Mold, Inc	Rochester, NY
Blue Chip Tool Company, Inc	New Castle, PA
Bluegrass Forging, Tool & Die	Shelbyville, KY
Bob's Tool & Cutter Grinding	Indianapolis, IN
Boice Industrial Corporation	Ruffsdale, PA
Boittech Inc	West Newton, PA
Boring, Inc	Rockford, IL
Bosma Machine & Tool	Tipp City, OH
Boston Centerless Inc	Woburn, MA
Bowden Manufacturing Corp	Willoughby, OH
Boyce Machine, Inc	Cuyahoga Falls, OH
Boyle, Inc	Freeport, PA
Bra-Vor Tool & Die Company, Inc	Meadville, PA
Bradford Machine Company Inc	Brattleboro, VT
Bradhart Products, Inc	Brighton, MI
Bramko Tool & Engineering, Inc	O' Fallon, MO
Brimar Products Inc	Fontana, CA
Brinkman Tool & Die, Inc	Dayton, OH
Bristol Instrument Gears, Inc	Forestville, CT
Britt Tool Inc	Brazil, IN
Brittain Machine, Inc	Wichita, KS
Broadway Companies, Inc	Englewood, OH
Brogdon Tool & Die, Inc	Blue Springs, MO
Brookfield Machine, Inc	West Brookfield, MA
Brooklyn Machine & Mfg. Co. Inc	Cuyahoga Heights, OH
Brooklyn Scraping & Re-Machining	W. Lafayette, IN
Brown-Covey, Inc	Kansas City, MO
Brownstown Quality Tool & Design	Brownstown, IN
The Budd Company	Shelbyville, KY
Budney Overhaul & Repair, LTD	Berlin, CT
Buerk Tool & Machine Corporation	Buffalo, NY
Buiter Tool & Die, Inc	Grand Rapids, MI
Bundy Manufacturing Inc	El Segundo, CA
Burckhardt America, Inc	Greensboro, NC
Burco Precision Products, Inc	Denton, TX
Burger Engineering, Inc	Olathe, KS
Burgess Brothers, Inc	Canton, MA
Burkland Textron Inc	Goodrich, MI
Burton Industries Inc	Mentor, OH
C + H Manufacturing Inc	Ontario, CA
C & C Machine Company	Akron, OH
C & C Manufacturing Corporation	Englewood, CO
C & G Machine & Tool Co., Inc	Granby, MA
C & J Industries Inc	Meadville, PA
C & M Machine Products, Inc	Willoughby, OH
C & R Manufacturing, Inc	Shawnee, KS
C & S Machine & Manufacturing	Louisville, KY
C A R Engineering & Mfg	Victor, NY
C B Enterprises	Manchester, CT
C B S Manufacturing Company, Inc	Windsor, CT
C D M Tool & Mfg. Co., Inc	Hartford, WI
C F A Company, Inc	Milford, CT
CG Manufacturing Company	Willoughby, OH
C J Winter Machine Technologies,	Rochester, NY
C K Tool	Harborcreek, PA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

C M Gordon Industries Inc	Santa Fe Springs, CA
C M Industries, Inc	Old Saybrook, CT
C M Smillie & Company	Ferndale, MI
C N C Machine & Engineering	Colorado Springs, CO
C N C Precision Machining, Inc	Comstock Park, MI
C.N.C. Tool & Mold	Naples, FL
C R E Enterprises, Inc	Phoenix, AZ
C T D Machines, Inc	Los Angeles, CA
C T M, Inc	Grand Rapids, MI
C V Tool Company, Inc	Southington, CT
C. G. Tech, Inc	Phoenix, AZ
C-P Mfg. Corp	Van Nuys, CA
Caco Pacific Corporation	Covina, CA
Cadco Program & Machine	St. Charles, MO
Cal-Weld	Fremont, CA
Calder Machine Co. (C M C)	Florence, SC
California Mold	Fullerton, CA
Calmax Machining, Inc	Santa Clara, CA
Cambridge Specialty Company, Inc	Kensington, CT
Cambridge Tool & Die Corp	Cambridge, OH
Cameron Machine Shop, Inc	Richardson, TX
Campbell Grinding & Machine, Inc	Lewisville, TX
Campbell Machinery, Inc	Stow, OH
CAMtech Precision Manufacturing	Jupiter, FL
CamTech Systems Inc	Alhambra, CA
Canto Tool Corporation	Meadville, PA
Capitol Technologies, Inc	South Bend, IN
Capitol Tool & Die, L. P.	Madison, TN
Carbi-Tech, Inc	Apollo, PA
Carbide Probes, Inc	Dayton, OH
Cardinal Machine Company, Inc	Strongsville, OH
Carius Tool Co., Inc	Cleveland, OH
Carlin Machine Company, Inc	Southborough, MA
Carlson Capital Manufacturing Co	Rockford, IL
Carlson Industrial Grinding Inc	Erie, PA
Carlson Tool & Manufacturing	Cedarburg, WI
Cascade Mold & Die, Inc	Portland, OR
Cass Screw Machine Products	Brooklyn Center, MN
Castle Precision Products	Stockton, CA
Catalina Precision Engineering, LLC	Orange, CA
Catalina Tool & Mold, Inc	Tucson, AZ
Cates Machine Shop, Inc	Tyler, TX
Cee-San Machine & Fabrication	Houston, TX
Cempi Industries Inc	Huntington Beach, CA
Centaur Tool & Die, Inc	Bowling Green, OH
Centennial Technologies, Inc	Saginaw, MI
Center Line Machine Company	Lafayette, CO
Center Line Tool	Freeport, PA
Center Line Industries, Inc	West Springfield, MA
Central Industrial Supply	Grand Prairie, TX
Central Mass. Machine, Inc	Holyoke, MA
Central States Machine Service	Elkhart, IN
Central Tool & Machine Co., Inc	Bridgeport, CT
Central Tool Company, Inc	Fortville, IN
Central Tools, Inc	Cranston, RI
Centric Machine & Instrument	Tampa, FL
Century Die Company	Fremont, OH
Century Mold Company, Inc	Rochester, NY
Century Tool & Engr., Inc	Indianapolis, IN
Certified Grinding & Machine	Rochester, NY
Certified Industries, II, LLC	Phoenix, AZ
Challenger Worldwide (USA), LLC	Chandler, AZ
Chalmers & Kubeck, Inc	Aston, PA
Chamtek Mfg., Inc	Rochester, NY
Chandler Tool & Design Inc	Rockford, IL
Chance Tool & Die Co., Inc	Cincinnati, OH
Chapman Engineering, Inc	Santa Ana, CA
Charmilles Technologies	Lincolnshire, IL
Chase Machine & Mfg. Co	Rochester, NY
Chelar Tool & Die, Inc	Belleville, IL
Cherokee Industries	Hampshire, IL
Cherry Valley Tool & Machine Inc	Belvidere, IL
The Chesapeake Machine Co	Baltimore, MD
Chicago Grinding & Machine Co	Melrose Park, IL

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Chicago Mold Engineering Co., Inc	St. Charles, IL
Chickasha Manufacturing Company	Chickasha, OK
Chippewa Tool & Manufacturing Co	Woodville, OH
CHIPSCO, Inc	Meadville, PA
Christie Manufacturing, Inc	Gainesville, TX
Christopher Tool & Manufacturing	Solon, OH
Circle-K-Industries	Sterling, VA
City Industrial Tool & Die	Harbor City, CA
Clarion Tech. Caledonia Tool	Caledonia, MI
Clark & Wheeler Engineering, Inc	Cerritos, CA
Clark-Reliance Corporation	Strongsville, OH
Clarke Engineering, Inc	North Hollywood, CA
Class Machine & Welding, Inc	Akron, OH
Classic Tool	Saegertown, PA
Classic Tool, Inc	Macedonia, OH
Clay & Bailey Mfg. Co	Kansas City, MO
Cleveland Electric Laboratories	Twinsburg, OH
Clifton Automatic Screw	Lake City, PA
Cloud Company	San Luis Obispo, CA
Coast Cutters Company, Inc	South El Monte, CA
Coastal Machine Company	Branford, CT
Cobak Tool & Manufacturing Co	St. Louis, MO
Coffey Associates	Washington, DC
Colbrit Manufacturing Co., Inc	Chatsworth, CA
A E Cole Die & Engraving	Columbus, OH
Collins Instrument Company	Angleton, TX
Collins Machine & Tool Co., Inc	Madison, TN
Collins Machine Works, Inc	Weilford, SC
Collins Manufacturing, Inc	Essex, MA
Colonial Machine Company	Kent, OH
Colonial Machine & Tool Co., Inc	Coventry, RI
Colorado Laser Marking, Inc	Colorado Springs, CO
Colorado Surface Grinding, Inc	Denver, CO
Columbia Machine Works, Inc	Columbia, TN
Columbia Products, Inc	Dallastown, PA
Comac Manufacturing Corporation	Oroville, CA
Comet Tool, Inc	Hopkins, MN
Comfab, Inc	Spartanburg, SC
Command Tooling Systems	Ramsey, MN
Commerce Grinding, Inc	Dallas, TX
Commonwealth Machine Co., Inc	Danville, VA
Competition Tooling, Inc	High Point, NC
Competitive Engineering Inc	Tucson, AZ
Composidie, Inc	Apollo, PA
Compu Die, Inc	Wyoming, MI
Compumachine Incorporated	Wilmington, MA
Computech Manufacturing Co., Inc	North Kansas City, MO
Computerized Machining Service,	Englewood, CO
Concept Tool & Die Company	Euclid, OH
Conco Systems, Inc	Verona, PA
Condor Engineering, Inc	Colorado Springs, CO
Connecticut Jig Grinding, Inc	New Britain, CT
Connelly Machine Works	Santa Ana, CA
Connolly Tool & Machine Co	Dallas, TX
Connor Formed Metal Products	Grand Prairie, TX
Conroy & Knowlton, Inc	Los Angeles, CA
Consolidated Mold & Mfg. Inc	Kent, OH
Consulting-Design-Construction, Inc	Phoenix, AZ
Conti Machine Tool Company, Inc	Haverhill, MA
Conti Tool & Die Company	Akron, OH
Continental Precision, Inc	Phoenix, AZ
Continental Tool & Machine	Strongsville, OH
Continental Tool & Manufacturing	Lenexa, KS
Contour Metrological & Mfg., Inc	Troy, MI
Converse Industries Inc	Kenosha, WI
Convex Mold, Inc	Sterling Heights, MI
R F Cook Manufacturing Co	Stow, OH
Cook Machine and Engineering	Gardena, CA
Cook Specialty Company	Green Lane, PA
Coorstek	Livermore, CA
Corbitt Mfg. Company	St. Louis, MO
Cornerstone Screw Machine	Burbank, CA
Corrigan Manufacturing Co., Inc	Rockford, IL
Corrugated Roller & Machine Inc	Santa Fe Springs, CA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Corry Custom Machine	Corry, PA
Corver Engineering Company, Inc	Detroit, MI
Cosar Mold, Inc	Brimfield, OH
Costa Machine, Inc	Akron, OH
Country Machine & Tool, Inc	Tipp City, OH
Covert Manufacturing, Inc	Galion, OH
Cox Mfg. Co. Inc	San Antonio, TX
Cox Tool Company, Inc	Excelsior Springs, MO
Craft Tech, Inc	Carrollton, TX
Craft-Tech Enterprises, Inc	Troy, MI
Craig Machinery & Design, Inc	Louisville, KY
Creative Precision, West	Phoenix, AZ
Creb Engineering, Inc	Pascoag, RI
Crenshaw Die & Manufacturing	Irvine, CA
Crest Manufacturing Company	Lincoln, RI
Criterion Tool & Die, Inc	Brook Park, OH
Crossland Machinery	Kansas City, MO
CrossRidge Precision	Oak Ridge, TN
Crown Machine, Inc	Rockford, IL
Crown Mfg. Co., Inc	Newark, CA
Crown Mold & Machine	Streetsboro, OH
Crown Tool & Die Co., Inc	Bridgeport, CT
Crucible Materials Corporation	Camillus, NY
Crush Master Grinding Corp	Walnut, CA
Cumberland Machine Company	Nashville, TN
Custom Engineering, Inc	Evansville, IN
Custom Gear & Machine, Inc	Rockford, IL
Custom Machine, Inc	Woburn, MA
Custom Machine, Inc	Cleveland, OH
Custom Mold & Design, Inc	New Hope, MN
Custom Tool & Design, Inc	Erie, PA
Custom Tool & Grinding Inc	Washington, PA
Custom Tool & Model Corp	Frankfort, NY
Cut-Right Tools Corporation	Willoughby, OH
D & B Industries, Inc	Dayton, OH
D & H Manufacturing Company	Fremont, CA
D & J Precision Machining, Inc	Hayward, CA
D & K Industries, Inc	Chatsworth, CA
D & N Precision, Inc	San Jose, CA
D & R Precision Machining	San Jose, CA
D & S Manufacturing Corporation	Southwick, MA
D. F. O'Brien Precision Machining	Santa Fe Springs, CA
D K Mold & Engineering, Inc	Wyoming, MI
D M E Company	Madison Heights, MI
D M Machine & Tool	Kennerdell, PA
D M Machine Company, Inc	Willoughby, OH
D P I, Inc	Southampton, PA
D P Tool & Machine Inc	Avon, NY
D S A Precision Machining, Inc	Livonia, NY
D S Greene Company, Inc	Wakefield, MA
D S Mfg., Inc	Ventura, CA
DT Scheu & Kniss	Louisville, KY
D-Velco Manufacturing	Phoenix, AZ
D-K Manufacturing Corporation	Fulton, NY
DaCo Precision Manufacturers	Sandy, UT
Dadeks Machine Works Corporation	Houston, TX
Daily Industrial Tools	Costa Mesa, CA
Dan's Precision Grinding	Sun Valley, CA
Danco Precision, Inc	Phoenixville, PA
Dane Systems, Inc	Stevensville, MI
Danly IEM	Middleburg Heights, OH
Data Mold & Tool, Inc	Walbridge, OH
Dave Jones Machinists	Mishawaka, IN
David Engineering & Mfg	Corona, CA
Davis Machine & Manufacturing	Arlington, TX
Davken Inc	Brea, CA
Dayton Progress Corporation	West Carrollton, OH
Dayton Reliable Tool & Mfg. Co	Dayton, OH
De King Screw Products Inc	Burbank, CA
De Long Manufacturing Co., Inc	Santa Clara, CA
De-Lux Mold & Machine, Inc	Brady Lake, OH
Dean Machine	Cranston, RI
Dearborn Precision Tubular	Fryeburg, ME
Deck Brothers, Inc	Buffalo, NY

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Dekalb Tool & Die, Inc	Tucker, GA
Delco Corporation	Akron, OH
Delco Machine & Gear	No. Long Beach, CA
Dell Tool	Penfield, NY
Delltronics, Inc	Englewood, CO
Delta Machine & Tool Company	Cleveland, OH
Delta Machining, Inc	Niles, MI
Delta Tech, Inc	Mentor, OH
Demaich Industries, Inc	Johnston, RI
Dependable Machine Company, Inc	Indianapolis, IN
Dependable Tool & Manufacturing	Cleveland, OH
Desert Precision Mfg., Inc	Tucson, AZ
Designs For Tomorrow, Inc	St. Louis, MO
Detail Technologies, Inc	Grandville, MI
Detroit Tool & Engineering Co	Lebanon, MO
Deutsch ECD	Hemet, CA
Devtek Engineering	Colorado Springs, CO
Di-Matrix	Phoenix, AZ
Dial Machine Company	Andalusia, PA
Diamond Lake Tool, Inc	Anoka, MN
Diamond Machine Works, Inc	Seattle, WA
Diamond Tool & Die Co., Inc	Euclid, OH
Diamond Tool & Engineering, Inc	Bertha, MN
Dickey & Son Machine & Tool Co.,	Indianapolis, IN
Dickson Machine & Tool, Inc	Dickson, TN
Die Cast Die and Mold, Inc	Perrysburg, OH
Die Dimensions	Kentwood, MI
Die Matic Corporation	Brooklyn Heights, OH
Die-Namic Inc	Taylor, MI
Die Products Corporation	Minneapolis, MN
Die Quip Corp	Bethel Park, PA
Die Tech Industries, Ltd	Providence, RI
The Die Works Inc	Hillsboro, MO
Die-Matic Tool and Die, Inc	Grand Rapids, MI
Die-Mension Corporation	Brunswick, OH
Die-Namic Tool & Mfg., Inc	Rockford, IL
Diemaster Tool & Mold, Inc	Macedonia, OH
Dietooling, Div. of Diemolding	Wampsville, NY
Digital Tool & Die, Inc	Grandville, MI
Dimac Manufacturing Co., Inc	Alexander, AR
Distinctive Machine Corporation	Grand Rapids, MI
Diversified Engraving Stamp	Akron, OH
Diversified Manufacturing	Lockport, NY
Diversified Tool & Die	Vista, CA
Diversified Tool, Inc	Mukwonago, WI
Dixie Tool & Die Co., Inc	Gadsden, AL
Dixon Automatic Tool, Inc	Rockford, IL
Double D Machine & Tool Company	Fremont, OH
Douglas Machine & Engineering Co	Davenport, IA
Downey Grinding Company, Inc	Downey, CA
Dowty's Machine Works, Inc	Baton Rouge, LA
Doyle Manufacturing, Inc	Holland, OH
Drabik Tool and Die Inc	Brook Park, OH
Drewco Corporation	Franksville, WI
Drill Masters Inc	Hamden, CT
Du-Well Grinding Company, Inc	Milwaukee, WI
Dugan Tool & Die Company	Toledo, OH
Dugan Tool & Die, Inc	Cottage Hills, IL
Dun-Rite Fabricating Inc	Saginaw, MI
Dun-Rite Industries, Inc	Monroe, MI
Dunn & Bybee Tool Company, Inc	Sparta, TN
Duplicate Parts Company, Inc	San Marcos, CA
Dura-Metal Products Corporation	Irwin, PA
Durivage Pattern & Mfg. Co. Inc	Williston, OH
DuWest Tool & Die, Inc	Cleveland, OH
Dwyer Instruments Inc	Grandview, MO
DynaGrind Precision, Inc	New Kensington, PA
Dynamic Engineering, Inc	Minneapolis, MN
Dynamic Fabrication, Inc	Santa Ana, CA
Dynamic Machine & Fabricating	Phoenix, AZ
Dynamic Technologies and Design	Grand Rapids, MI
Dynamic Tool & Design, Inc	Menomonee Falls, WI
Dysinger Incorporated	Dayton, OH
E & C Manufacturing Company, Inc	Toledo, OH

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

E B & Sons Machine Inc	Aliquippa, PA
E. C. M. Mold & Die, Inc	Tucson, AZ
E C M Of Florida	Jupiter, FL
E. D. M. Exotics, Inc	Hayward, CA
E F Precision Inc	Willow Grove, PA
EISC/CME	Toledo, OH
E J Codd Co. of Baltimore City & Codd Fabricator & Boiler Co., Inc	Baltimore, MD
E K L Machine Company, Inc	Andalusia, PA
E-M-Solutions, Inc	Fremont, CA
E R C Concepts Company, Inc	Sunnyvale, CA
E. T. Tool, Inc	Racine, WI
E W Johnson Company, Inc	Lewisville, TX
E-Fab, Inc	Santa Clara, CA
Eagle Mold Company, Inc	Carlisle, OH
Eagle Technology Group	St. Joseph, MI
Eagle Tool & Machine Company	Springfield, OH
Eason & Wailer	Phoenix, AZ
East Coast Tool & Mfg., Inc	Orchard Park, NY
East Side Machine, Inc	Webster, NY
East Texas Machine Works, Inc	Longview, TX
Eaton Manufacturing, Inc	Fremont, CA
Ebway Corporation	Fort Lauderdale, FL
Eckert Enterprises Ltd	Tempe, AZ
Eckert Machining, Inc	San Jose, CA
Eclipse Mold, Inc	Clinton Township, MI
Eclipse Tool & Die, Inc	Wayland, MI
Ed Brown Products, Inc	Perry, MO
Edco, Inc	Toledo, OH
EDM Supplies, Inc	Downey, CA
Edwardsville Machine & Welding	Edwardsville, IL
Efficient Die & Mold Inc	Cleveland, OH
Egli Machine Company, Inc	Sidney, NY
Ehlert Tool Co., Inc	New Berlin, WI
Ehrhardt Tool & Machine Company	Granite City, IL
Eicom Corporation	Moraine, OH
86 Tool Company	Cambridge Springs, PA
Ejay's Machine Co., Inc	Fullerton, CA
Elcam Tool & Die, Inc	Wilcox, PA
Electra Form Industries Inc	Vandalia, OH
Electric Enterprise Inc	Stratford, CT
Electro Form Corporation	Binghamton, NY
Electro-Freeto Manufacturing Co	Wayland, MA
Electro-Mechanical Products, Inc	Denver, CO
Electro-Tech Machining	Long Beach, CA
Electroform Co. Inc	Machesney Park, IL
Elgin Machine Corporation	Inwood, NY
Elite Tool & Machinery Systems, Inc	O'Fallon, MO
Elizabeth Carbide Die Co., Inc	McKeesport, PA
Elizabeth Carbide of North	Lexington, NC
Elkhart Machine Group	Elkhart, IN
Elliot Tool & Manufacturing Co	St. Louis, MO
Elliott's Precision, Inc	Peoria, AZ
Ellison Machine Company	Laurens, SC
Elrae Industries	Alden, NY
Emig Machine and Tool	Warwick, PA
Emmert Welding & Manufacturing	Independence, MO
Empire Manufacturing Corporation	Bridgeport, CT
Engineered Machine Tool, Inc	Wichita, KS
Engineered Pump Services, Inc	Pasadena, TX
Entek Corporation	Norman, OK
Enterprise Tool & Die	Brooklyn Heights, OH
Ephrata Precision Parts, Inc	Denver, PA
Epicor Software Corporation	Minneapolis, MN
Erca Tool Die & Stamping Company	Richmond Hill, NY
Erickson Tool & Machine Company	Rockford, IL
Erie Shore Machine Co., Inc	Cleveland, OH
Erie Specialty Products, Inc	Erie, PA
Ermco, Inc	Cleveland, OH
Estee Mold & Die, Inc	Dayton, OH
Esterle Mold & Machine Co	Stow, OH
Estul Tool & Manufacturing Co	Matthews, NC
Evans Tool & Die, Inc	Conyers, GA
Ever Fab, Inc	East Aurora, NY
Ever-Ready Tool, Inc	Largo, FL

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Everett Pattern and Mfg., Inc	Middleton, MA
Everite Machine Products	Philadelphia, PA
Arthur J. Evers Corporation	Riverton, NJ
Ewart-Ohison Machine Company	Cuyahoga Falls, OH
Ex-Cel Machine & Tool, Inc	Louisville, KY
Exact Cutting Service, Inc	Brecksville, OH
Exact Tool & Die, Inc	Brook Park, OH
Exacta Tech Inc	Livermore, CA
Exacto, Inc. of South Bend	South Bend, IN
Excalibur Precision Machine Co	Hampstead, NH
Excel Machine Company	Philadelphia, PA
Excel Manufacturing, Inc	Valencia, CA
Excel Manufacturing Inc	Seymour, IN
Excel Stamping & Manufacturing	Houston, TX
Executive Mold Corporation	Huber Heights, OH
Ezell Precision Tool Company	Clearwater, FL
F & F Machine Specialties	Mishawaka, IN
F & G Tool & Die Company	Dayton, OH
F & L Tools Corporation	Corona, CA
F & S Tool, Inc	Erie, PA
F C Machine Tool & Design, Inc	Cuyahoga Falls, OH
F D T Precision Machine Co., Inc	Taunton, MA
F G A Inc	Baton Rouge, LA
F K Instrument Co., Inc	Clearwater, FL
FMF Racing	Rancho Dominguez, CA
F M Machine Company	Akron, OH
F N Smith Corporation	Oregon, IL
F P Pla Tool & Manufacturing Co	Buffalo, NY
F R B Machine Inc	Emlenton, PA
F S G Inc	Mishawaka, IN
F. S. Machining, Inc	Englewood, CO
F T T Manufacturing Inc	Geneseo, NY
F Tinker & Sons Company	Pittsburgh, PA
F W Gartner Thermal Spraying Co	Houston, TX
F-Squared, Inc	Tarentum, PA
Fab Lab, Inc	Maryland Heights, MO
FabCorp, Inc	Houston, TX
Fairbanks Machine & Tool	Raytown, MO
Fairview Machine Company, Inc	Topsfield, MA
Faith Tool & Manufacturing, Inc	Willoughby, OH
Falcon Precision Machining Co	West Springfield, MA
Falls City Machine Technology	Louisville, KY
FallsMold & Die, Inc	Stow, OH
Fame Tool & Manufacturing Co	Cincinnati, OH
Fantasy Manufacturing, Inc	Windsor, CA
Fargo Machine Company, Inc	Ashtabula, OH
Farzati Manufacturing Corp	Greensburg, PA
Fast Physics Inc	Tempe, AZ
Fay & Quartermaine Machining	El Monte, CA
Fay Tool & Die, Inc	Orlando, FL
Feedall, Inc	Willoughby, OH
Feilhauer's Machine Shop Inc	Cincinnati, OH
Feller Tool Co., Inc	Elyria, OH
Fenton Manufacturing, Inc	Ashtabula, OH
Fenwick Machine & Tool	Piedmont, SC
Feral Productions LLC	Newark, CA
Ferriot Inc	Akron, OH
First International Bank	Hartford, CT
Fischer Precision Spindles, Inc	Berlin, CT
Fischer Tool & Die Corporation	Temperance, MI
Fitzwater Engineering Corp	Scituate, RI
Five Star Industries LLC	Dayton, OH
Five Star Tool Company, Inc	Rochester, NY
Flasche Models & Patterns, Inc	Cleveland, OH
Fleck Machine Company, Inc	Hanover, MD
Foriska Machine Shop	Saegertown, PA
Forster Tool & Mfg. Inc	Bensenville, IL
Forte Company	Kansas City, MO
The Foster Group	Rochester, NY
Foster-Tobin Corp	Meadville, PA
4 Axis Machining, Inc	Denver, CO
Fox Valley Tool & Die, Inc	Kaukauna, WI
Franchino Mold & Engineering	Lansing, MI
Frank J. Stolitzka & Son, Inc	Akron, OH

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Frasal Tool Co., Inc	Newington, CT
Frazier Aviation, Inc	San Fernando, CA
Fre-Mar Industries, Inc	Brunswick, OH
J F Fredericks Tool Company, Inc	Farmington, CT
Fredon Corporation	Mentor, OH
Freeport Welding & Fabricating	Freeport, TX
Frost & Company	Charlestown, RI
Fulcrum Group, LLC	Hayward, CA
Fulton Industries, Inc	Rochester, IN
Furno Co. Inc	Pomona, CA
Future Fabricators	Phoenix, AZ
Future Tool & Die Company, Inc	Cleveland, OH
Future Tool & Die, Inc	Grandville, MI
Fyco Tool & Die, Inc	Houston, TX
G & G Tool Company, Inc	Sidney, OH
G & K Machine Company	Denver, CO
G & L Tool Corp	Agawam, MA
G B F Enterprises, Inc	Santa Ana, CA
G B Tool Company	Warwick, RI
G F T Manufacturing Company	Vandergrift, PA
G H Tool & Mold, Inc	Washington, MO
G M T Corporation	Waverly, IA
G R McCormick, Inc	Burbank, CA
G S C Manufacturing Inc	Indianapolis, IN
G S G Tool and Manufacturing	Meadville, PA
G S Precision, Inc	Brattleboro, VT
Gadsden Tool, Inc	Gadsden, AL
Gainesville Machining Inc	Gainesville, TX
Gales Manufacturing Corporation	Racine, WI
Galgon Industries, Inc	Fremont, CA
Gambar Products Company, Inc	Warwick, RI
Garcia Associates	Arlington, VA
Gatco, Inc	Plymouth, MI
Gauer Mold & Machine Company	Talimadge, OH
Gaum, Inc	Robbinsville, NJ
Gear Manufacturing, Inc	Anaheim, CA
Gebhardt Machine Works, Inc	Portland, OR
Geiger Manufacturing, Inc	Stockton, CA
Gem City Engineering Company	Dayton, OH
Gene's Gundri 11 ing Inc	Alahambra, CA
General Aluminium Forgings	Colorado Springs, CO
General Die Engraving, Inc	Twinsburg, OH
General Engineering Company	Toledo, OH
General Grinding, Inc	Oakland, CA
General Machine-Diecron, Inc	Griffin, GA
General Machine Shop, Inc	Cheverly, MD
General Tool & Die Company, Inc	Racine, WI
General Tool Company	Cincinnati, OH
Genesee Manufacturing Company	Rochester, NY
Genesee Precision Mfg., Inc	Avon, NY
Genesis Plastics & Engineering	Scottsburg, IN
Gentec Manufacturing Inc	San Jose, CA
Geometric Tool & Machine Co	Piedmont, SC
German Machine, Inc	Rochester, NY
Germantown Tool & Machine	Huntingdon Valley, PA
Gibbs Die Casting Corporation	Henderson, KY
Gibbs Machine Company, Inc	Greensboro, NC
Gilbert Engineering Company	Glendale, AZ
Gilbert Machine & Tool Company	Greene, NY
Gill Tool & Die, Inc	Grand Rapids, MI
Gillette Machine & Tool Company	Rochester, NY
Girard Tool & Die/Jackburn Mfg	Girard, PA
Gischel Machine Company Inc	Baltimore, MD
Givmar Precision Machining	Mountain View, CA
Glaze Tool & Engineering, Inc	New Haven, IN
Glendale Machine Company, Inc	Solon, OH
Glendo Corporation	Emporia, KS
Glidden Machine & Tool, Inc	North Tonawanda, NY
Global Mfg. & Assembly	Phoenix, AZ
Global Precision, Inc	Davie, FL
Golis Machine, Inc	Montrose, PA
Goodwin-Bradley Pattern Co., Inc	Providence, RI
Graham Tech Inc	Cochranton, PA
Granby Mold, Inc	Walled Lake, MI

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Graybill's Tool & Inc	Manheim, PA
Great Lakes E.D.M. Inc	Clinton Twp., MI
Great Lakes Metal Treating, Inc	Tonawanda, NY
Great Lakes Precision Machine	Niles, MI
Great Western Grinding & Eng.	Huntington Beach, CA
Grind All Precision Tool Co	Warren, MI
Grind-All, Inc	Cleveland, OH
GrindC/O Inc	Chelmsford, MA
Grinding Service & Mfg. Co	Bristol, CT
Grindworks Inc	Glendale, AZ
Grosmann Precision	Baliwin, MO
Grover Gundrilling, Inc	Norway, ME
Guill Tool & Engineering Co	West Warwick, RI
Gulf Machining	Pinellas Park, FL
Gulf South Machine/Drilex Corp	Houston, TX
Gurney Precision Machining	Saint Petersburg, FL
H & H Machine Company	Whittier, CA
H & H Machine Shop Of Akron, Inc	Akron, OH
H & H Machined Products, Inc	Erie, PA
H & K Machine Service Co. Inc	O'Fallon, MO
H & M Precision Machining	Santa Clara, CA
H & S Enterprises, Inc	Monrovia, CA
H & W Machine Company	Broomfield, CO
H & W Tool Company, Inc	Dover, NJ
H B Machine, Inc	Phoenix, AZ
HB Molding, Inc	Louisville, KY
H–B Tool & Cutter Grinding Inc	Willow Grove, PA
H Brauning Company, Inc	Manassas, VA
H H Mercer, Inc	Mesquite, TX
H R M Machine, Inc	Costa Mesa, CA
Haberman Machine, Inc	St. Paul, MN
Hackett Precision Company	Nashville, TN
Hager Machine & Tool, Inc	Houston, TX
Haig Precision Mfg. Corp	Campbell, CA
Hal-West Technologies, Inc	Kent, WA
Hamblen Gage Corporation	Indianapolis, IN
Hamill Manufacturing Company	Trafford, PA
Hamilton Industries, Inc	Tempe, AZ
Hamilton Machine Co., Inc	Nashville, TN
Hamilton Mold & Machine, Inc	Cleveland, OH
Hamilton Tool Company, Inc	Meadville, PA
Hamlin Steel Products, Inc	Akron, OH
Hammill Manufacturing Company	Toledo, OH
Hammon Precision Technologies	Hayward, CA
Hanks Pattern Company	Montrose, MN
Hanover Machine Company	Ashland, VA
Hans Rudolph, Inc	Kansas City, MO
Hansen Engineering	Harbor City, CA
Hansford Manufacturing Corp	Rochester, NY
The Hanson Group, LTD	Ludlow, MA
Hanson Mold	St. Joseph, MI
Har-Phill Machine Products, Inc	Tempe, AZ
Hardy Machine Inc	Hatfield, PA
Hardy-Reed Tool & Die Co	Manitou Beach, MI
Harley & Son, Inc	Yorba Linda, CA
Harrison Enterprise, Inc	Phoenix, AZ
Hartup Tool Inc	Columbus, IN
J W Harwood Company	Cleveland, OH
Haserodt Machine & Tool, Inc	Cleveland, OH
Haskell Machine & Tool, Inc	Homer, NY
Haumiller Engineering Company	Elgin, IL
Hawkeye Precision, Inc	Gilbert, AZ
Hawkins Machine Company, Inc	Coventry, RI
Hawkinson Mold Engineering Co	Alhambra, CA
Hayden Corporation	West Springfield, MA
Heatherington Machine Corp	Orlando, FL
Heinhold Engineering & Machine	Salt Lake City, UT
Heisey Machine Co., Inc	Lancaster, PA
Heitz Machine & Manufacturing	Maryland Heights, MO
Hellebusch Tool & Die, Inc	Washington, MO
Helm Precision, Ltd	Phoenix, AZ
Henman Engineering & Machine	Muncie, IN
Herman Machine, Inc	Tallmadge, OH
Herrick & Cowell Company	Hamden, CT

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Hetrick Mfg., Inc	Lower Burrell, PA
Heyden Mold & Bench Company	Tallmadge, OH
Heyl Engraving, Inc	North Canton, OH
Hi Tech Manufacturing, LLC	Greensboro, NC
Hi-Tech Machining & Engineering LLC	Tucson, AZ
Hi-Tech Tool Industries, Inc	Troy, MI
Hi-Tech Tool, Inc	Lower Burrell, PA
Hiatt Metal Products Company	Muncie, IN
Hickory Machine Company, Inc	Newark, NY
High Tech Turning Co	Watertown, MA
High-Tech Industries	Holland, MI
Highldnd Mfg. Inc	Manchester, CT
Hill Engineering, Inc	Villa Park, IL
Hillcrest Precision Tool Co. Inc	Haverhill, MA
Hillcrest Tool & Die, Inc	Titusville, PA
Hilton Tool & Die Corporation	Rochester, NY
Hittle Machine & Tool Company	Indianapolis, IN
Hobson & Motzer, Inc	Durham, CT
Hodon Manufacturing Inc	Willoughby, OH
Hoercher Industries, Inc	East Rochester, NY
Hoffman Custom Tool & Die	Newport Beach, CA
Hoffstetter Tool & Die	Clearwater, FL
Hole Specialists, Inc	Ludlow, MA
Holland Hitch Co	Wylie, TX
Hollis Line Machine Co., Inc	Hollis, NH
Holmes Manufacturing Corporation	Cleveland, OH
Holton Mold & Engineering	Upland, CA
Homeyer Tool and Die Co	Marthasville, MO
Honemasters, Inc	Huntington Beach, CA
Hoop's Machine & Welding, Inc	Denton, TX
Hope Manufacturing, Inc	Greensboro, NC
Hoppe Tool, Inc	Chicopee, MA
Horizon Industries	Lancaster, PA
Horizon Tool & Die Corp	Grandville, MI
Houston Cutting Tools, Inc	Houston, TX
Howell Tool & Machine	Flower Mound, TX
Howland Machine Corporation	Colorado Springs, CO
Hubbell Machine Company, Inc	Cleveland, OH
Humboldt Instrument Company	San Leandro, CA
Hunt Machine & Manufacturing Co	Tallmadge, OH
Huron Machine Products, Inc	Fort Lauderdale, FL
HydraWedge Corporation	El Segundo, CA
Hydro Aluminum Cedar Tools	Cedar Springs, MI
Hydrodyne Division Of FPI, Inc	Burbank, CA
Hydromat, Inc	St. Louis, MO
Hygrade Precision Technologies	Plainville, CT
Hytron Manufacturing Company	Huntington Beach, CA
ILM Tool, Inc.	Hayward, CA
IQC, Inc	Vandalia, OH
ISO Machining, Inc	Pleasanton, CA
I T M, Inc	Shertz, TX
ITW CIP Tool and Die	Santa Fe Springs, CA
Ideal Grinding Technologies, Inc	Chatsworth, CA
Imperial Die & Manufacturing Co	Cleveland, OH
Imperial Machine & Tool Company	Wadsworth, OH
Imperial Machining Co	Denver, CO
Imperial Mfg	Santa Fe Springs, CA
Imperia.l Newbould	Meadville, PA
Imperial Tool & Manufacturing Co	Lexington, KY
IndTool, Inc	Burlington, NC
Indiana Tool & Die Company	Indiana, PA
Industrial Babbitt Bearing	Gonzales, LA
Industrial Custom Automatic	Dayton, OH
Industrial Grinding, Inc	Dayton, OH
Industrial Machine Company	Oklahoma City, OK
Industrial Machine & Tool Co., Inc	Nashville, TN
Industrial Machining Corporation	Santa Clara, CA
Industrial Maintenance	Lavergne, TN
Industrial Mold + Machine	Twinsburg, OH
Industrial Molds, Inc	Rockford, IL
Industrial Precision, Inc	Westfield, MA.
Industrial Precision Products	Oswego, NY
Industrial Tool & Machine Co	Cuyahoga Falls, OH
Industrial Tool, Die & Engineering	Tucson, AZ

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Industrial Tool, Inc	Minneapolis, MN
Industrial Tooling Technologies	Muskegon, MI
Ingersoll Contract Manufacturing	Loves Park, IL
Injection Mold & Machine Company	Akron, OH
Inland Tool & Manufacturing Co	Kansas City, KS
Inline Inc	Phoenix, AZ
Innex Industries, Inc	Rochester, NY
Innovative E D M, LLC	Troy, MI
Innovative Systems Machine	Toledo, OH
Insulate Inc	Auburn, WA
Integrated Machine Systems	Bethel, CT
Integrity Mfg. L.L.C.	Farmington, CT
International Stamping Inc	Warwick, RI
International Tooling & Stamping	Mt. Juliet, TN
Interscope Manufacturing Inc	Middletown, OH
Intrex Corporation	Louisville, CO
Iverson Industries, Inc	Wyandotte, MI
J & A Tool Company, Inc	Franklin, PA
J & F Machine Company	Cleveland, OH
J & F Machine Inc	Cypress, CA
J & J Tool Co., Inc	Louisville, KY
J & L EDM	Sunnyvale, CA
J & M Machine, Inc	Fairport Harbor, OH
J & M Unlimited	Ashland City, TN
J.B.A.T. t/a Cherry Hill	Cherry Hill, NJ
JBK Manufacturing & Development	Dayton, OH
J B Tool Die & Engineering, Inc	Fort Wayne, IN
J B Tool, Inc	Placentia, CA
J C B Precision Tool & Mold, Inc	Commerce City, CO
J. C. Milling Co., Inc	Rockford, IL
J D Kauffman Machine Shop, Inc	Christiana, PA
J D Machining	Santa Clara, CA
J I Machine Company, Inc	San Diego, CA
J K Tool & Die, Inc	Apollo, PA
J M Fabrication Corporation	Arlington, TX
J M Mold South	Easley, SC
J M Mold, Inc	Piqua, OH
J M P Industries, Inc	Cleveland, OH
J M S Mold & Engineering Co	South Bend, IN
J R Custom Metal Products, Inc	Wichita, KS
JRM Machine Company	St. Paul, MN
J Ross Miller & Sons, Inc	Kimberton, PA
J S Die & Mold, Inc	Byron Center, MI
Jackman Machining	Corona, CA
Jackson & Heit Machine Company	Southampton, PA
Jacksonville Machine Inc	Jacksonville, IL
Jaco Engineering	Anaheim, CA
Jaco Tool & Die, Inc	Grand Rapids, MI
Jadco Inc	Springfield, MA
Jamison Mfg. Co	North Royalton, OH
Jason Tool & Engineering, Inc	Garden Grove, CA
Jatco Machine & Tool Company	Pittsburgh, PA
Jena Tool Corporation	Dayton, OH
Jenkins Machine, Inc	Bethlehem, PA
Jenn Manufacturing Company, Inc	Warminster, PA
Jennison Corporation	Carnegie, PA
Jergens Tool and Mold	Englewood, OH
Jergens, Inc	Cleveland, OH
Jesel, Inc	Lakewood, NJ
Jesse Industries, Inc	Sparks, NV
Jet Products Co., Inc	Phoenix, AZ
Jewett Machine Mfg. Co., Inc	Richmond, VA
Jig Grinding Service Company	Cleveland, OH
Jirgens Modern Tool Corporation	Kalamazoo, MI
John Ramming Machine Company	St. Louis, MO
Johnson Engineering Company	Indianapolis, IN
Johnson Precision, Inc	Buffalo, NY
Johnson Tool, Inc	Fairview, PA
Joint Production Technology, Inc	Macomb, MI
Joint Venture Tool & Mold	Saegertown, PA
Jonco Tool Company	Racine, WI
T R Jones Machine Company, Inc	Crystal Lake, IL
Joseph Alziebler Company	Arleta, CA
Juell Machine Company, Inc	Pomona, CA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Just in Time CNC Machining Inc.	Dansville, NY
K & A Tooling	Santa Ana, CA
K & E Mfg. Company	Lee's Summit, MO
K & H Mold & Machine Division	Akron, OH
K & H Precision Products, Inc	Honeoye Falls, NY
K & M Machine-Fabricating, Inc	Cassopolis, MI
K & M Precision Machining, Inc	Signal Hill, CA
K & S Tool & Die, Inc	Meadville, PA
K & S Tool & Mfg. Company, Inc	Jamestown, NC
K.C.K. Tool & Die Co., Inc	Ferndale, MI
K-Form, Inc	Tustin, CA
K L H Industries, Inc	Germantown, WI
K L N Precision Machining & Sheetmetal Corp	Fremont, CA
K M F, Inc	Fairdale, KY
K M S Machine Works, Inc	Taunton, MA
K Mold & Engineering, Inc	Granger, IN
K V, Inc	Huntingdon Valley, PA
Ka-Wood Gear & Machine Company	Madison Heights, MI
Kahre Brothers, Inc	Evansville, IN
Kalman Manufacturing	Morgan Hill, CA
Kamashian Engineering Inc	Bellflower, CA
Kanis Machine & Manufacturing, Inc	Tewksbury, MA
Kansas City Screw Products Inc	Kansas City, MO
T. J. Karg Company, Inc	Akron, OH
Karlson Machine Works, Inc	Phoenix, AZ
Karsten Precision	Phoenix, AZ
Kaskaskia Tool & Machine, Inc	New Athens, IL
Kaufhold Machine Shop, Inc	Lancaster, PA
C B Kaupp & Sons, Inc	Maplewood, NJ
Kearflex Engineering Company	Warwick, RI
Keck-Schmidt Tool & Die	South El Monte, CA
Kell-Strom Tool Company, Inc	Wethersfield, CT
Kellems & Coe Tool Corporation	Jeffersonville, IN
Keller Technology Corporation	Tonawanda, NY
Kelley Industries, Inc	Eighty Four, PA
Kelitech Precision Machining, Inc	San Jose, CA
Keim Manufacturing Company	Benton Harbor, MI
Kelmar, Inc	Midland, VA
Kern-Mu-Co	Hayward, CA
Kemco Tool & Machine Company	Fenton, MO
Kenlee Precision Corporation	Baltimore, MD
Kennametal Inc	Latrobe, PA
Kennebec Tool & Die Co., Inc	Augusta, ME
Kennedy & Bowden Machine Company	La Vergne, TN
Kennick Mold & Die, Inc	Cleveland, OH
Kentucky Machine & Tool Company	Louisville, KY
Kern Special Tools Company, Inc	New Britain, CT
Ketcham Diversified Tooling Inc	Cambridge, PA
Kewill ERP, Inc	Edina, MN
Keyes Machine Works, Inc	Gates, NY
Keystone Machine, Inc	Littlestown, PA
Kimberly Gear & Spline, Inc	Phoenix, AZ
King Machine & Engineering Co	Indianapolis, IN
King-Tek EDM & Precision Machining	Fullerton, CA
Kipp Group	Ontario, CA
Kirby Risk Precision Machining	Lafayette, IN
Kirca Precision	Rochester, NY
Kiwanda Machine Works, Inc	Clackamas, OR
Klein Steel Service, Inc	Rochester, NY
Klix Tool Corporation	Syracuse, NY
Knowlton Manufacturing Company	Norwood, OH
Knust—S B O	Houston, TX
Kolar Inc	Ithaca, NY
Kolenda Tool & Die, Inc	Wyoming, MI
Kordenbrock Tool & Die Company	Cincinnati, OH
Kovacs Machine & Tool Company	Wallingford, CT
Krause Tool, Inc	Golden, CO
Kuester Tool & Die Co., Inc	Quincy, IL
Kuhn Tool & Die Co	Meadville, PA
Kurt J. Lesker Company	Pittsburgh, PA
Kurt Manufacturing Company	Minneapolis, MN
L & L Machine, Inc	Ludlow, MA
L & P Machine, Inc	Santa Clara, CA
L A I Southwest, Inc	Phoenix, AZ

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

L H Carbide Corporation	Fort Wayne, IN
L P I Corporation	Hollywood, FL
L R G Corporation	Jeannette, PA
L R W Cutting Tools, Inc	Phoenix, AZ
L T L Company, Inc	Rockford, IL
LaBarge Products, Inc	St. Louis, MO
Lake Manufacturing Co., Inc	Newburyport, MA
Lakeside Manufacturing Company	Stevensville, MI
Lamb Machine & Tool Company	Indianapolis, IN
Lamina, Inc	Oak Park, MI
Lampin Corporation	Uxbridge, MA
Lancaster Machine Shop	Lancaster, TX
Lancaster Metal Products Company	Lancaster, OH
Lancaster Mold, Inc	Lancaster, PA
Land Specialties Manufacturing	Raytown, MO
Lane Enterprise	Rochester, NY
Lane Punch Corporation	Salisbury, NC
Laneko Engineering Company	Ft. Washington, PA
Laneko Roll Form, Inc	Hatfield, PA
Lange Precision, Inc	Fullerton, CA
Langenau Manufacturing Company	Cleveland, OH
Laser Automation, Inc	Chagrin Falls, OH
Laser Beam Technology	Hayward, CA
Laser Fare, Inc	Smithfield, RI
Laser Tool, Inc	Saegertown, PA
LaserFab Inc	Concord, CA
Lathe Tool Works, Inc	Richmond, CA
Lavelle Machine	Westford, MA
Lavigne Manufacturing, Inc	Cranston, RI
Layke Incorporated	Phoenix, AZ
Layke Tool & Manufacturing, Inc	Meadville, PA
LeBlanc Grinding Company	Anaheim, CA
Ledford Engineering Company, Inc	Cedar Rapids, IA
Lee's Grinding, Inc	Cleveland, OH
Leech Industries, Inc	Meadville, PA
Lees Enterprise	Chatsworth, CA
Leese & Co., Inc	Greensburg, PA
Leggett & Platt, Inc	Whittier, CA
Leicester Die & Tool, Inc	Leicester, MA
Lemco-Miller Corporation	Danvers, MA
Lenz Technology Inc	Mountain View, CA
Leonardi Manufacturing Co., Inc	Weedsport, NY
Lewis Aviation	Phoenix, AZ
Lewis Machine and Tool Company	Milan, IL
Lewis Machine & Tool Co. Inc	Cuba, MO
Liberty Precision Industries, Ltd	Rochester, NY
Libra Precision Machining	Tecumseh, MI
Light & Medium Fabricating, Inc	Willoughby, OH
Light Machines Corporation	Manchester, NH
Ligi Tool & Engineering, Inc	Pompano Beach, FL
Lilly Software Associates, Inc	Hampton, NH
Limmco, Inc	New Albany, IN
Linco, Inc	Phoenix, AZ
Lindberg Heat Treating	Paramount, CA
Linmark Machine Products, Inc	Union, MO
Little Rhody Machine Repair, Inc	Coventry, RI
Littlecrest Machine Shop, Inc	Houston, TX
Lloyd Company	Houston, TX
Lobart Company	Pacoima, CA
Loecy Precision Mfg	Mentor, OH
LOMA Automation Technologies, Inc	Louisville, KY
Lordon Engineering	Gardena, CA
Louis C. Morin Co. Inc	N. Billerica, MA
Loyal Machine Company, Inc	Chelsea, MA
Luick Quality Gage & Tool, Inc	Muncie, IN
Lunar Tool & Machinery Company	St. Louis, MO
Lunar Tool & Mold, Inc	North Royalton, OH
Lunquist Manufacturing Corp	Rockford, IL
Lux Manufacturing, Inc	Sunnyvale, CA
Lynn Welding Co. Inc	Newington, CT
Lyons Tool & Die Company	Meriden, CT
M & D Loe Manufacturing, Inc	Benicia, CA
M & H Engineering Company, Inc	Danvers, MA
M & H Tool & Die, Inc	Gadsden, AL

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

M & J Grinding & Tool Co	Holland, OH
M & J Valve Services, Inc	Lafayette, LA
M & S Holes Corporation	New Brunswick, NJ
M C I Tool & Die, Inc	Saginaw, MI
M C Mold & Machine, Inc	Talimadge, OH
M D F Tool Corporation	North Royalton, OH
M F Engineering Co. Inc	Bristol, RI
M J C Machine Tooling	Hudson, NH
M J K Precision	Woodland Park, CO
M. J. Machining, Inc	Morgan Hill, CA
M P Components	Grand Rapids, MI
M P E Machine Tool Inc	Corry, PA
M P Technologies, Inc	Brecksville, OH
MRC Technologies	Buffalo, NY
M. R. Mold & Engineering Corp	Brea, CA
M S Willett, Inc	Cockeysville, MD
M T E, Inc	San Jose, CA
M T M Grinding	Thorndike, MA
M-C Fabrication, Inc	Olathe, KS
M-Ron Corporation	Glendale, AZ
M-Tron Manufacturing Company	San Fernando, CA
Mac Machine and Metal Works, Inc	Connersville, IN
Mac-Mold Base, Inc	Romeo, MI
Machine Incorporated	Stoughton, MA
Machine Mastery	Santa Clara, CA
Machine Specialties, Inc	Greensboro, NC
Machine Tooling, Inc	Cleveland, OH
Machinist Cooperative	Gilroy, CA
Machinists, Inc	Seattle, WA
MacKay Manufacturing	Spokane, WA
Maddox Metal Works, Inc	Dallas, TX
Madgett Enterprises Inc	Milipitas, CA
Magdic Precision Tooling, Inc	East McKeesport, PA
Maghielse Tool Corporation	Grand Rapids, MI
Magic Manufacturing, Inc	Sunnyvale, CA
Magna Machine & Tool Company	New Castle, IN
Magnum Manufacturing Center, Inc	Colorado Springs, CO
Magnus Mfg. Corp	Shortsville, NY
Mahuta Tool Corp	Germantown, WI
Main Tool & Mfg. Co., Inc	Minneapolis, MN
Maine Machine Products	South Paris, ME
Mainline Machine, Inc	Broussard, LA
Majer Precision Engineering, Inc	Tempe, AZ
Major Tool & Machine, Inc	Indianapolis, IN
Makino	Mason, OH
Malmberg Engineering, Inc	Livermore, CA
Manda Machine Company, Inc	Dallas, TX
Manetek, Inc	Broussard, LA
Manheim Special Machine Shop	Manheim, PA
Mann Tool Company, Inc	Pacific, MO
Manor Research, Inc	Hayward, CA
Manufactured Technical Solutions	Jenison, MI
Manufacturing Machine Corp	Pawtucket, RI
Manufacturing Service Corp	West Hartford, CT
Marberry Machine, Inc	Houston, TX
Marco Manufacturing Company	Akron, OH
Marcy Machine, Inc	Grandview, MO
Mardon Tool & Die Company, Inc	Rochester, NY
Marini Tool & Die Company, Inc	Racine, WI
Mans Systems Design, Inc	Spencerport, NY
Markham Machine Co. Inc	Akron, OH
Marlin Tool, Inc	Cuyahoga Falls, OH
Marquette Tool & Die Company	St. Louis, MO
Marshall Manufacturing Company	Minneapolis, MN
Martinek Manufacturing	Fremont, CA
Martinelli Machine	San Leandro, CA
Masco Machine, Inc	Cleveland, OH
Massachusetts Machine Works Inc	Westwood, MA
Massey Industries, Inc	Houston, TX
Master Cutting & Engineering	Santa Fe Springs, CA
Master Industries Inc	Piqua, OH
Master Precision Tool Corp	Sterling Heights, MI
Master Research & Manufacturing	Norwalk, CA
Master Tool & Die	Anaheim, CA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Master Tool & Mold, Inc	Grafton, WI
Mastercraft Mold, Inc	Phoenix, AZ
Mastercraft Tool Co	St. Louis, MO
Mastercraft Tool & Machine Co	Southington, CT
Masterman Engineering	Kent, WA
MaTech Machining Technologies	Salisbury, MD
Matthews Gauge, Inc	Santa Ana, CA
Maudlin & Son Manufacturing Co	Kemah, TX
May Tool & Die, Inc	North Royalton, OH
May Tool & Mold Company, Inc	Kansas City, MO
Mayfran International	Cleveland, OH
McCurdy Tool & Machine Inc	Caledonia, IL
McAfee Tool & Die, Inc	Uniontown, OH
McDowell Enterprises, Inc	Elkhart, IN
Dan McEachern Company	Alameda, CA
McGill Manufacturing Company	Flint, MI
McGough & Kilguss	Providence, RI
McIvor Manufacturing, Inc	Buffalo, NY
McKee Carbide Tool Division	Olanta, PA
McKenzie Automation Systems, Inc	Rochester, NY
McNeal Enterprises, Inc	San Jose, CA
McNeill Manufacturing Company	Oakland, CA
McSwain Manufacturing Corp	Cincinnati, OH
Meadows Manufacturing Co., Inc	Sunnyvale, CA
Meadville Plating Company, Inc	Meadville, PA
Meadville Tool Grinding	Meadville, PA
Mechanical Manufacturing Corp	Sunrise, FL
Mechanical Metal Finishing Co	Gardena, CA
Mechanized Enterprises, Inc	Anaheim, CA
Medved Tool & Die Company	Milwaukee, WI
Menegay Machine & Tool Company	Canton, OH
Mercer Machine Company, Inc	Indianapolis, IN
Mercier Tool & Die Company	Canton, OH
Meriden Manufacturing	Meriden, CT
Merritt Tool Company, Inc	Kilgore, TX
Metal Cutting Specialists, Inc	Houston, TX
Metal Form Engineering	Redlands, CA
Metal Processors Inc	Stevensville, MI
Metallon, Inc	Thomaston, CT
Metals USA, Flagg Steel Co., Inc	St. Louis, MO
Metco Manufacturing Company, Inc	Warrington, PA
Metplas, Inc	Natrona Heights, PA
Metric Machining	Monrovia, CA
Metric Precision Inc	Spartanburg, SC
Metro Manufacturing, Inc	Phoenix, AZ
Miami Tool & Die, Inc	Huntington, IN
Michigan Machining Inc	Mt. Morris, MI
Micro Chrome & Lapping, Inc	San Jose,, CA
Micro Engineering Inc	Caledonia, MI
Micro Instrument Corporation	Rochester, NY
Micro Matic Tool, Inc	Youngstown, OH
Micro Precision Company	Houston, TX
Micro Precision Corporation	Lancaster, PA
Micro Punch & Die Company	Rockford, IL
Micro Surface Engineering, Inc	Los Angeles, CA
Micro Tool & Manufacturing, Inc	Meadville, PA
Micro-Tec	Chatsworth, CA
Micro-Tech Machine Inc	Newark, NY
Micro-Tronics, Inc	Tempe, AZ
Microfinish	Clayton, OH
Micropulse West, Inc	Tempe, AZ
Mid-Central Manufacturing, Inc	Wichita, KS
Mid-Continent Engineering, Inc	Minneapolis, MN
Mid-State Manufacturing, Inc	Milldale, CT
Mid-States Forging Die & Tool	Rockford, IL
Middle River Machine Services	Baltimore, MD
Midland Precision Machining, Inc	Tempe, AZ
Midway Mfg. Inc	Elyria, OH
Midwest Machine & Manufacturing Co	Muskegon, MI
Midwest Tool & Die Corporation	Fort Wayne, IN
Midwest Tool & Engineering Co	Dayton, OH
Mikana Manufacturing Co., Inc	San Dimas, CA
Mikron Machine, Inc	Cranesville, PA
Mikron Manufacturing, Inc	Colorado Springs, CO

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Mu-Tool & Plastics Inc	Zephyrhills, FL
Milco Wire EDM, Inc	Huntington Beach, CA
Millat Industries Corp	Dayton, OH
Miller Equipment Corporation	Richmond, VA
Miller Machine & Design, Inc	Charlotte, NC
Miller Mold Company	Saginaw, MI
Millrite Machine Inc	Westfield, MA
Milrose Industries	Cleveland, OH
Miltronics, Inc	Painesville, OH
Milwaukee Precision Corporation	Milwaukee, WI
Milwaukee Punch Corporation	Greendale, WI
Minco Tool & Mold Inc	Dayton, OH
Mission Tool & Manufacturing Co	Hayward, CA
Mitchell Machine, Inc	Springfield, MA
Mitchum Schaefer, Inc	Indianapolis, IN
Mittler Brothers Machine & Tool	Foristell, MO
Mod Tech Industries, Inc	Shawano, WI
Model Machine Company, Inc	Baltimore, MD
Model Mold & Machine Company,	Noblesville, IN
Modern Industries Inc	Phoenix, AZ
Modern Machine Company	San Jose, CA
Modern Machine Company	Bay City, MI
Modern Mold, Inc	Grand Rapids, MI
Modern Technologies Corp	Xenia, OH
Modular Mining Systems, Inc	Tucson, AZ
Mold Threads Inc	Branford, CT
Moldcraft, Inc	Depew, NY
Monks Manufacturing Co., Inc	Wilmington, MA
Monsees Tool & Die, Inc	Rochester, NY
Montgomery Machine Company	Houston, TX
Moon Tool & Die Inc	Conneaut Lake, PA
Moore Gear Mfg. Co., Inc	Hermann, MO
Moore Machine, Inc	Walkerton, IN
Moore Quality Tooling, Inc	Dayton, OH
Morlin Incorporated	Erie, PA
Morris Machine Co., Inc	Indianapolis, IN
Morton & Company, Inc	Wilmington, MA
Moseys' Production Machinists	Anaheim, CA
Moss Machine/Module	San Francisco, CA
Motor Machine Co., Inc	Edison, NJ
Mountain States Automation, Inc	Englewood, CO
Mt. Sterling Industries	Mt. Sterling, KY
MTI Engineering Corp/Mitutoyo	Huntington Beach, CA
Mueller Machine & Tool Company	Berkeley, MO
Muller Tool Inc	Cheektowaga, NY
Multi Dimensional Machining Inc	Englewood, CO
Multi-Tool, Inc	Saegertown, PA
Mustang-Major Tool & Die Co.	Eden, NY
Mutual Precision, Inc	West Springfield, MA
Mutual Tool & Die, Inc	Dayton, OH
Myers Industries	Akron, OH
Myers Precision Grinding Company	Warrensville Hts., OH
Myles Tool Co., Inc	Sanborn, NY
N C Dynamics, Inc	Long Beach, CA
N D T Industries, Inc	Dayton, OH
N E T & Die Company, Inc	Fulton, NY
Nashville Machine Company, Inc	Nashville, TN
National Carbide Die	McKeesport, PA
National Jet Company, Inc	LaVale, MD
National Tool & Machine Co. Inc	East St. Louis, IL
Nationwide Precision Products	Rochester, NY
Neal Manufacturing, Inc	Greensboro, NC
Nel-Mac Tool & Mfg. Inc	McKinney, TX
Nelson Bros. & Strom Co., Inc	Racine, WI
Nelson Engineering	Garden Grove, CA
Nelson Grinding, Inc	Fullerton, CA
Nelson Precision Drilling Co	Glastonbury, CT
Nemes Machine Co	Cuyahoga, OH
Nerjan Development Company	Stamford, CT
Neutronics, Inc	Phoenix, AZ
New Age Plastics, Inc	San Jose, CA
New Century Fabricators, Inc	New Iberia, LA
New Century Remanufacturing, Inc	Santa Fe Springs, CA
New Coy Fabrication Inc	Rochester, NY

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

New England Die Co., Inc	Waterbury, CT
New Standard Corporation	York, PA
Newman Machine Company, Inc	Greensboro, NC
Newton Tool & Manufacturing Co	Swedesboro, NJ
Niagara Punch & Die Corporation	Buffalo, NY
Nifty Bar, Inc	Penfield, NY
Niles Machine & Tool Works, Inc	Livermore, CA
Nixon Tool Co., Inc	Richmond, IN
Noble Tool Corporation	Dayton, OH
Norbert Industries, Inc	Sterling Heights, MI
Nordon Tool & Mold, Inc	Rochester, NY
Norman Noble, Inc	Cleveland, OH
Normike Industries, Inc	Plainville, CT
North Canton Tool Company, Inc	Canton, OH
North Central Tool & Die, Inc	Houston, TX
North Coast Tool & Mold Corp	Cleveland, OH
North Easton Machine Co., Inc	North Easton, MA
North Florida Tool Engineering	Jacksonville, FL
Northeast E D M	Newburyport, MA
Northeast Manufacturing Co., Inc	Stoneham, MA
Northeast Tool & Manufacturing	Indian Trail, NC
Northern Machine Tool Company	Muskegon, MI
Northland Extension Drills	Grove City, MN
Northmont Tool & Gage Inc	Clayton, OH
Northwest Machine Works, Inc	Grand Junction, CO
Northwest Tool Corporation	Tucson, AZ
Northwest Tool & Die, Inc	Saegertown, PA
Northwest Tool & Die Company	Grand Rapids, MI
Northwood Industries, Inc	Perrysburg, OH
Norv's Molds, Inc	Nyssa, OR
Norwood Tool Company	Dayton, OH
Nova Manufacturing Company	North Hollywood, CA
Now-Tech Industries Inc	Lackawanna, NY
Nu-Tool Industries, Inc	North Royalton, OH
Nu-Tech Industries	Grandview, MO
Numeric Machine	Fremont, CA
Numeric Machining Co., Inc	West Springfield, MA
Numerical Precision, Inc	Wheeling, IL
Numerical Productions, Inc	Indianapolis, IN
Numet Machine	Stratford, CT
NuTec Tooling Systems, Inc	Meadville, PA
O & S Machine Company, Inc	Latrobe, PA
O–A, Inc	Agawam, MA
OEM Controls Inc	Shelton, CT
O E M Industries, Inc	Dallas, TX
O E M, Inc	Corvallis, OR
O–D Tool & Cutter Inc	Mansfield, IA
O'Keefe Ceramics	Woodland Park, CO
O'Neal Tool & Machine Co., Inc	DeSoto, MO
Oakley Die & Mold Company, Inc	Mason, OH
Obars Machine & Tool Company	Toledo, OH
Oberg Industries Inc	Freeport, PA
Oconee Machine & Tool Company	Westminster, SC
Oconnor Engineering Laboratories	Costa Mesa, CA
Ohio Gasket & Shim Company	Akron, OH
Ohio Transitional Machine & Tool	Toledo, OH
Ohlemacher Mold & Die	Strongsville, OH
Oilfield Die Manufacturing Co	Lafayette, LA
Okuma America Corporation	Charlotte, NC
Olson Mfg. & Distribution Inc	Shawnee, KS
Omax Corporation	Kent, WA
Omega One, Inc	Maple Heights, OH
Omega Tool, Inc	Menomonee Falls, WI
Omni Tool, Inc	Winston Salem, NC
Orenda National Aerospace, LLC	Glendale, AZ
Osborn Products, Inc	Phoenix, AZ
Osley & Whitney, Inc	Westfield, MA
Overland Boiling	Dallas, TX
Overton & Sons Tool & Die Co	Mooresville, IN
Overton Corporation	Willoughby, OH
P & N Machine Company, Inc	Houston, TX
P & P Mold & Die, Inc	Tallmadge, OH
P & A Tool & Die, Inc	Rochester, NY
P & R Industries, Inc	Rochester, NY

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

PDQ Machine, Inc	Machesney Park, IL
PDT Tooling, Inc	Lincolnshire, IL
P. J. M. Machine Inc	North Canton, OH
PMR, Inc	Avon, OH
PR Machine Works, Inc	Mansfield, OH
P. Tool & Die Company, Inc	N. Chili, NY
P–K Tool & Manufacturing Company	Chicago, IL
Pacific Bearing Company	Rockford, IL
Pacific Precision Machine, Inc	San Carlos, CA
Pacific Tool & Die, Inc	Brunswick, OH
Pahl Tool Services	Cleveland, OH
Palma Tool & Die Company, Inc	Lancaster, NY
Palmer Machine Company Inc	Conway, NH
Palmer Manufacturing Company	Maiden, MA
Parallax, Inc	Largo, FL
Paramount Machine & Tool Corp	Fairfield, NJ
Park Hill Machine, Inc	Lancaster, PA
Parker Plastics Corporation	Pittsburgh, PA
Parr-Green Mold and Machine Co	North Canton, OH
Parris Tool & Die Company	Goodlettsville, TN
Parrish Machine, Inc	South Bend, IN
Pasco Tool & Die, Inc	Meadville, PA
Patco Machine & Fab, Inc	Houston, TX
Path Technologies, Inc	Mentor, OH
Patkus Machine Company	Rockford, IL
Patriot Machine, Inc	St. Charles, MO
Patriot Precision Products	North Canton, OH
Patten Tool & Engineering, Inc	Kittery, ME
Paul E. Seymour Tool & Die Co	North East, PA
Peerless Precision, Inc	Westfield, MA
Peffen Machine Company	Nashville, TN
Peko Precision Products	Rochester, NY
Pell Engineering & Manufacturing	Peiham, NH
Penco Precision	Fontana, CA
Pendleton Tool Company, Inc	Erie, PA
Peninsula Screw Machine Products	Belmont, CA
Penn State Tool & Die Corp	North Huntingdon, PA
Penn United Tech, Inc	Saxonburg, PA
Pennoyer-Dodge Company	Glendale, CA
Pennsylvania Crusher	Cuyahoga Falls, OH
Pennsylvania Tool & Gages, Inc	Meadville, PA
Perfection Mold & Machine Co	Akron, OH
Perfection Tool & Mold Corp	Dayton, OH
Perfecto Tool & Engineering Co	Anderson, IN
Perfekta, Inc	Wichita, KS
Performance Grinding & Manufacturing Inc	Tempe, AZ
Performance Machining Inc	Irwin, PA
Perry Tool & Research Inc	Hayward, CA
Petersen Precision Engineering, LLC	Redwood City, CA
F H Peterson Machine Corporation	Stoughton, MA
Peterson Jig & Fixture, Inc	Rockford, MI
Petro-Chem Industries, Inc	Stafford, TX
Pettey Machine Works, Inc	Trinity, AL
Petty Enterprises	Hollister, CA
Phil-Coin Machine & Tool Co	Hudson, MA
Philips Enabling Technologies Group	South Plainfield, NJ
Philips Machining Company, Inc	Coopersville, MI
Phoenix Gear, Inc	Phoenix, AZ
Phoenix Grinding	Phoenix, AZ
Phoenix Tool & Gage, Inc	Phoenix, AZ
Phoenix, Inc	Seekonk, MA
Piano Machine & Instrument Inc	Gainesville, TX
Piece-Maker Company	Troy, MI
Pierce Products, Inc	Cleveland, OH
Pierson Precision Inc	Campbell, CA
Pinehurst Tool & Die	Conneaut Lake, PA
Pinnacle Engineering Co., Inc	Manchester, MI
Pinnacle Manufacturing Co., Inc	Chandler, AZ
Pioneer Industries	Seattle, WA
Pioneer Precision Grinding, Inc	West Springfield, MA
Pioneer Tool & Die Company	Akron, OH
Pioneer Tool & Die, Inc	Meadville, PA
Pioneer Tool Die & Machine Co	Ivyland, PA
Pitt-Tex	Latrobe, PA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Plainfield Stamping Illinois, Inc	Plainfield, IL
Plas Tool Co	Niles, IL
Plastic Mold Technology Inc	Grand Rapids, MI
Plastipak Packaging, Inc	Medina, OH
Plating Technology, Inc	Columbus, OH
Pleasant Precision, Inc	Kenton, OH
Plesh Industries, Inc	Buffalo, NY
Pocal Industries Inc	Scranton, PA
Pol-Tek Industries, Ltd	Cheektowaga, NY
Polynetics, Inc	Fullerton, CA
Polytec Products Corporation	Menlo Park, CA
Ponderosa Industries, Inc	Denver, CO
Popp Machine & Tool, Inc	Louisville, KY
Port City Machine & Tool Company	Muskegon Heights, MI
Portage Knife Company, Inc	Mogadore, OH
Post Products, Inc	Kent, OH
Powder Metallurgy Company	Lewisville, TX
Powers Bros. Machine, Inc	Montebello, CA
Powill Manufacturing & Engineering, Inc	Phoenix, AZ
PQ Enterprise, L.L.C.	Grand Rapids, MI
Practical Machine Company	Barberton, OH
Pre Tech Manufacturing	Schaumburg, IL
Pre-Mec Corporation	Clinton Township, MI
Precise Products Corporation	Minneapolis, MN
Precise Technologies Inc	Largo, FL
Precise Tool & Die, Inc	Leechburg, PA
Precision Aircraft Components	Dayton, OH
Precision Aircraft Machining	Sun Valley, CA
Precision Automated Machining	Englewood, CO
Precision Automation Co., Inc	Clarksville, IN
Precision Balancing & Analyzing	Mentor, OH
Precision Boring Company	Detroit, MI
Precision Deburring Enterprises	Sun Valley, CA
Precision Die & Stamping Inc	Tempe, AZ
Precision Engineering, Inc	Uxbridge, MA
Precision Engineering & Mfg. Co	Haymarket, VA
Precision Gage & Tool Company	Dayton, OH
Precision Gage, Inc	Tempe, AZ
Precision Grinding & Mfg. Corp	Rochester, NY
Precision Grinding, Inc	Birmingham, AL
Precision Grinding Inc	Phoenix, AZ
Precision Identity Corporation	Campbell, CA
Precision Industries, Inc	Providence, RI
Precision Industries, Inc	Baton Rouge, LA
Precision Machine & Instrument	Houston, TX
Precision Machine & Tool Co	Longview, TX
Precision Machine & Engineering	Phoenix, AZ
Precision Machine Rebuilding	Rogers, MN
Precision Machine Company	Lancaster, PA
Precision Manufacturing	Grand Junction, CO
Precision Metal Crafters, Ltd	Greensburg, PA
Precision Metal Fabrication	Dayton, OH
Precision Metal Tooling, Inc	San Leandro, CA
Precision Mold & Engineering	Warren, MI
Precision Mold Base Corporation	Tempe, AZ
Precision Mold Welding, Inc	Little Rock, AR
Precision Mold, Inc	Kent, WA
Precision Piece Parts Inc	Mishawaka, IN
Precision Products Inc	Greenwood, IN
Precision Resource	Huntington Beach, CA
Precision Resource Tool & Machine	Shelton, CT
Precision Resources	Hawthorne, CA
Precision Specialties	San Jose, CA
Precision Specialists, Inc	West Berlin, NJ
Precision Stamping & Tool, Inc	Irvine, CA
Precision Stamping, Inc	Farmers Branch, TX
Precision Technology, Inc	Chandler, AZ
Precision Tool & Die, Inc	Derry, NH
Precision Tool Work, Inc	New Iberia, LA
Precision Tool & Mold, Inc	Clearwater, FL
Precision Wire EDM Service Inc	Grand Rapids, MI
Precision Wire Cut Corporation	Waterbury, CT
Preferred Grinding Co., Inc	Dallas, TX
Preferred Tool & Die Co., Inc	Comstock Park, MI

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Preferred Tool Company, Inc	Seymour, IN
Prescott Aerospace, Inc	Prescott Valley, AZ
Pressco Products	Kent, WA
Prestige Mold Incorporated	Rancho Cucamonga, CA
Price Products, Inc	Escondido, CA
Pride	Champlin, MN
Prima Die Castings, Inc	Clearwater, FL
Prime-Co Tool Inc	East Rochester, NY
Primeway Tool & Engineering Co	Madison Heights, MI
Pro-Tech Machine, Inc	Burton, MI
Pro-Mold, Inc	Spencerport, NY
Process Equipment Company	Tipp City, OH
Product Engineering Company	Columbus, IN
Production Saw Works, Inc	North Hollywood, CA
Production Tool & Mfg. Co	Portland, OR
Producto Machine Company	Bridgeport, CT
Professional Grinding, Inc	Akron, OH
Professional Instruments Co., Inc	Hopkins, MN
Professional Machine & Tool, Inc	Valley Center, KS
Professional Machine & Tool Co	Gallatin, TN
Proficient Machining Co., Inc	Mentor, OH
Profile Grinding, Inc	Cleveland, OH
Proformance Manufacturing, Inc	Corona, CA
Progressive Concepts Machining	Pleasanton, CA
Progressive Metallizing & Machine Company, Inc	Akron, OH
Progressive Tool Company	Waterloo, IA
Progressive Tool & Die, Inc	Meadville, PA
Progressive Tool & Die, Inc	Gardena, CA
Promax Tool Co	Rancho Cordova, CA
ProMold, Inc	Cuyahoga Falls, OH
Prompt Machine Products, Inc	Chatsworth, CA
Proper Cutter, Inc	Guys Mills, PA
Proper Mold & Engineering, Inc	Center Line, MI
Proteus Manufacturing Co., Inc	Woburn, MA
Proto-Design, Inc	Redmond, WA
Proto Machine & Manufacturing	Kent, OH
Proto-Cam, Inc	Grand Rapids, MI
Protonics Engineering Corp	Cerritos, CA
Prototype & Plastic Mold Co	Middietown, CT
Puehier Tool Company	Valley View, OH
Pulibrite, Inc	Fremont, CA
Punch Press Products, Inc	Los Angeles, CA
Punchcraft Company—Subsidiary of MascoTech, Inc	Warren, MI
Q K Mold & Manufacturing, Inc	Kent, OH
Q M C Technologies, Inc	Depew, NY
Qualfab Machining	Redwood City, CA
Quality Centerless Grinding Corp	Middlefield, CT
Quality Engineering Services	Wallingford, CT
Quality Grinding & Machining	Bridgeport, CT
Quality Machine Engineering, Inc	Santa Rosa, CA
Quality Machining Technology, Inc	Oakdale, CA
Quality Mold & Die, Inc	Santa Ana, CA
Quality Mold & Engineering	Baroda, MI
Quality Mold Shop, Inc	McMinnville, TN
Quality Precision, Inc	Hayward, CA
Quality Tool Company	Toledo, OH
Quantum Manufacturing, Inc	Burbank, CA
Quick-Way Stampings	Euless, TX
R & D Machine Shop	Dallas, TX
R & D Specialty/Manco	Phoenix, AZ
R & D Tool & Engineering	Lee's Summit, MO
R & G Precision Tool Inc	Thomaston, CT
R & H Manufacturing Inc	Kingston, PA
R & J Tool, Inc	Brookville, OH
R & M Machine Tool	Freeland, MI
R & M Manufacturing Company	Niles, MI
R & M Mold Manufacturing Co	Bloomsbury, NJ
R & R Precision Machine, Inc	Wichita, KS
R & S EDM, Inc	W. Springfield, MA
R & S Machining, Inc	Oakville, MO
RB Machine Co., Inc	Phoenix, AZ
R D C Machine, Inc	Santa Clara, CA
R Davis EDM	Anaheim, CA
R E F Machine Company, Inc	Middlefield, CT

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

REO Hydro-Pierce Inc	Detroit, MI
R G F Machining Technologies	Canon City, CO
R J S Corporation	Akron, OH
R M I	Van Nuys, CA
R O C Carbon Company	Houston, TX
R S Precision Industries, Inc	Farmingdale, NY
P. T R Slotting & Machine Inc	Cuyahoga Falls, OH
RTS Wright Industries, Inc	Nashville, TN
R W Machine, Inc	Houston, TX
P. W. Smith Company, Inc	Dallas, TX
B. Radtke & Sons, Inc	Round Lake Park, IL
Rainbow Tool & Machine Co., Inc	Gadsden, AL
Rabid Corporation	Reisterstown, MD
Ram Tool, Inc	Grafton, WI
Ranger Tool & Die Company	Saginaw, MI
Rapid-Line Inc	Grand Rapids, MI
Rapidac Machine Corporation	Rochester, NY
Ratnik Industries, Inc	Victor, NY
Rawlings Engineering	Macon, GA
Ray Paradis Machine, Inc	Jackson, CA
Re-Del Engineering	Campbell, CA
Realco Diversified, Inc	Meadville, PA
Reardon Machine Co., Inc	St. Joseph, MO
Reber Machine & Tool Company	Muncie, IN
Rectack of America	Los Angeles, CA
Reed Instrument Company	Houston, TX
Reese Machine Company, Inc	Ashtabula, OH
Reichert Stamping Company	Toledo, OH
Reid Industries, Inc	Roseville, MI
Reitz Tool & Die Company, Inc	Walbridge, OH
Reitz Tool, Inc	Cochranton, PA
Reliable EDM, Inc	Houston, TX
Remarc Manufacturing Inc	Hayward, CA
Remmele Engineering, Inc	St. Paul, MN
Remtex, Inc	Longview, TX
Reny & Company Inc	El Monte, CA
Repairtech International, Inc	Van Nuys, CA
Repko Tool Inc	Meadville, PA
Republic Industries	Louisville, KY
Republic-Lagun	Carson, CA
Research Tool Inc	East Haven, CT
Reuther Mold & Manufacturing Co	Cuyahoga Falls, OH
Reynolds Manufacturing Co., Inc	Rock Island, IL
Rhode Island Centerless, Inc	Johnston, RI
Rich Tool & Die Company	Scarborough, ME
Richard Manufacturing Company	Milford, CT
Richard 0. Schulz Company	Elmwood Park, IL
Richard Tool & Die Corporation	New Hudson, MI
Richard's Grinding, Inc	Cleveland, OH
Richards Machine Tool Company	Lancaster, NY
Richsal Corporation	Elyria, OH
Rick Sanford Machine Company	San Leandro, CA
Rid-Lom Precision Tool Corp	Rochester, NY
Ridge Machine & Welding Company	Toronto, OH
Riggins Engineering, Inc	Van Nuys, CA
Right Tool & Die, Inc	Toledo, OH
Rima Enterprises	Huntington Beach, CA
Rite-Way Industries Inc	Louisville, KY
Riverview Machine Company, Inc	Holyoke, MA
Riviera Tool Company	Grand Rapids, MI
Robert C. Reetz Company, Inc	Pawtucket, RI
Roberts Aerospace Mfg. & Eng	Gardena, CA
Roberts Tool & Die Company	Chillicothe, MO
Roberts Tool Company, Inc	Northridge, CA
Robrad Tool & Engineering	Mesa, AZ
Rochester Gear, Inc	Rochester, NY
Rochester Manufacturing	Wellington, OH
Rockburl Industries Inc	Rochester, NY
Rockford Process Control, Inc	Rockford, IL
Rockford Tool & Manufacturing	Rockford, IL
Rockford Toolcraft, Inc	Rockford, IL
Rockhill Machining Industries	Barberton, OH
Rockstedt Tool & Die	Brunswick, OH
Rocon Manufacturing Corporation	Rochester, NY

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Rogers Associates Machine Tool	Rochester, NY
Romac Electronics, Inc	Plainview, NY
Romold Inc	Rochester, NY
Ron Grob Company	Loveland, CO
Ronart Industries, Inc	Detroit, MI
Ronlen Industries, Inc	Brunswick, OH
Rons Racing Products, Inc	Tucson, AZ
Royal Wire Products, Inc	N. Royalton, OH
Royalton Manufacturing, Inc	Cleveland, OH
Royster's Machine Shop, LLC	Henderson, KY
Rozal Industries, Inc	Farmingdale, NY
RREN Manufacturing & Engineering	Springfield, MA
Rubbermaid, Inc.—Mold Division	Wooster, OH
Ruoff & Sons, Inc	Runnemede, NJ
Russing Machining Corp	Glendale, CA
Ryan Industries Inc	York, PA
S & B Tool & Die Co., Inc	Lancaster, PA
S & R CNC Machining	Arleta, CA
S & R Precision Company, LLC	Fremont, CA
S & S Precision Company, LLC	San Jose, CA
S. C. Machine	Chatsworth, CA
S C Manufacturing	Akron, OH
S D S Machine, Inc	Hayward, CA
S G S Tool Company	Munroe Falls, OH
S L P Machine, Inc	Ham Lake, MN
S M K Fabricators, Inc	May, TX
S P M/Anaheim	Anaheim, CA
S P S Technologies	Santa Ana, CA
Saeibo Manufacturing Industries	Blauvelt, NY
Sage Machine & Fabricating	Houston, TX
Sagehill Engineering, Inc	Menlo Park, CA
Saginaw Products Corporation	Saginaw, MI
Salomon Smith Barney	Washington, DC
Samax Precision, Inc	Sunnyvale, CA
San Diego Swiss Machining, Inc	Chula Vista, CA
Sanders Tool & Mould Company	Hendersonville, TN
Sandor Tool & Manufacturing Co	Lawrence, MA
Sandy Bay Machine	Rockport, MA
Santin Engineering, Inc	West Peabody, MA
Sattler Machine Products, Inc	Sharon Center, OH
Sawing Services Co	Chatsworth, CA
Sawtech	Lawrence, MA
Schaffer Grinding Company, Inc	Montebello, CA
Schill Corp	Toledo, OH
Schlitter Tool	Warren, MI
Schmald Tool & Die Inc	Burton, MI
Schmiede Corporation	Tullahoma, TN
Schneider & Marguard, Inc	Newton, NJ
Schober's Machine & Engineering	Alhambra, CA
Schoitz Engineering, Inc	Waterloo, IA
Schroeder Tool & Die Corporation	Van Nuys, CA
Schuetz Tool & Die, Inc	Hiawatha, KS
Schulze Tool Company	Independence, MO
Schwab Machine, Inc	Sandusky, OH
Schwartz Industries, Inc	Warren, MI
Scott County Machine & Tool Co	Scottsburg, IN
Seabury & Smith, Inc	Miami, FL
Sebewaing Tool & Engineering Co	Sebewaing, MI
Seemcor Inc	Englewood, NJ
Albert Seisler Machine Corp	Mohnton, PA
Select Industrial Systems Inc	Fairborn, OH
Select Tool & Eng., Inc	Elkhart, IN
Select Tool & Die—Tool Div	Dayton, OH
SelfLube	Coopersville, MI
Selzer Tool & Die, Inc	Elyria, OH
Sematool Mold & Die Co	Santa Clara, CA
Serrano Industries Inc	Santa Fe Springs, CA
Service Manufacturing and	Anaheim, CA
Service Tool & Die, Inc	Henderson, KY
Setters Tools, Inc	Piedmont, SC
Sharon Center Mold & Die	Sharon Center, OH
Shaw Industries, Inc	Franklin, PA
Shear Tool, Inc	Saginaw, MI
Sheets Tool & Manufacturing, Inc	Saegertown, PA

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Shelby Engineering Company, Inc	Indianapolis, IN
Sherer Manufacturing	Clearwater, FL
Sherlock Machine Company	Clearwater, FL
The Sherman Corporation	Inglewood, CA
Sherman Tool & Gage	Erie, PA
Shiloh Industries	Wellington, OH
Shookus Special Tools, Inc	Raymond, NH
Shop Tech Industrial Software Corp	Rocky Hill, CT
Sibley Machine & Foundry Corp	South Bend, IN
Sieger Engineering, Inc	S. San Francisco, CA
Sigma Precision Mfg., Inc	Aston, PA
Signa Molds & Engineering	Sylmar, CA
Signal Machine Company	New Holland, PA
Silicon Valley Mfg	Fremont, CA
Sipco, Inc	Meadville, PA
Sirius Enterprises, Inc	Dallas, TX
Six Sigma	Louisville, KY
Ski-Way Machine Products Company	Euclid, OH
Skillcraft Machine Tool Company	West Hartford, CT
Skulsky, Inc	Gardena, CA
Skyfab, Inc	Denton, TX
Skyline Manufacturing Corp	Nashville, TN
Skylon Mold & Machining	Sugar Grove, PA
Skyway Manufacturing Corporation	Phoenix, AZ
Smith-Renaud, Inc	Cheshire, CT
Smith's Machine	Cottondale, AL
Smithfield Manufacturing, Inc	Clarksville, TN
Snyder Systems	Benicia, CA
Solar Tool & Die, Inc	Kansas City, MO
Sonic Machine & Tool, Inc	Tempe, AZ
Sonoma Precision Mfg. Co	Santa Rosa, CA
Sonora Precision Molds, Inc	Mi Wuk Village, CA
South Bay Machining	Santa Clara, CA
South Bend Form Tool Company	South Bend, IN
South Eastern Machining, Inc	Piedmont, SC
Southampton Manufacturing, Inc	Feasterville, PA
Southeastern Technology, Inc	Murfreesboro, TN
Southern Mfg. Technologies Inc	Tampa, FL
Southwest Industrial Services	Ft. Worth, TX
Southwest Manufacturing, Inc	Wichita, KS
Southwest Metalcraft Corporation	Tucson, AZ
Southwest Mold, Inc	Tempe, AZ
Space City Machine & Tool Co	Houston, TX
Spalding & Day Tool & Die Co	Louisville, KY
Spark Technologies, Inc	Schenley, PA
Spartak Products Inc	Houston, TX
Spartan Manufacturing Company	Garden Grove, CA
Specialty Machine & Hydraulics	Pleasantville, PA
Spenco Machine & Manufacturing	Temecula, CA
Spike Industries	North Lima, OH
Spin Pro Inc	Sunnyvale, CA
Spiral Grinding Company	Culver City, CA
Spirex Southwest	Gainesville, TX
Springfield Tool & Die, Inc	Greenville, SC
Sprint Tool & Die Inc	Meadville, PA
Spun Metals, Inc	Phoenix, AZ
St. Louis Tool & Mold	Valley Park, MO
Stadco	Los Angeles, CA
Standard Jig Boring Service, Inc	Akron, OH
Standard Machine Inc	Cleveland, OH
Standard Welding & Steel	Medina, OH
Stanek Tool Corporation	New Berlin, WI
Stanley Machining & Tool Corp	Carpentersville, IL
Star Tool & Die, Inc	Elkhart, IN
Star Tool & Engineering, Inc	Redwood City, CA
Starn Tool & Manufacturing Co	Meadville, PA
State Industrial Products, Inc	Phoenix, AZ
Stauble Machine & Tool Company	Louisville, KY
Stelted Manufacturing, Inc	Tempe, AZ
Sterling Engineering Corporation	Winsted, CT
Sterling Tool Company	Racine, WI
Stevens Manufacturing Co., Inc	Milford, CT
Stewart Manufacturing Company	Phoenix, AZ
Stieg Grinding Corporation	Rockford, IL

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Stillion Industries	Ann Arbor, MI
Stillwater Technologies, Inc	Troy, OH
Stines' Machine, Inc	Vista, CA
Ralph Stockton Valve Products	Houston, TX
Stoney Crest Regrind Service	Bridgeport, MI
Strobel Machine, Inc	Worthington, PA
Studwell Engineering, Inc	Sun Valley, CA
Subsea Ventures Inc	Houston, TX
Suburban Manufacturing Company	Euclid, OH
The Sullivan Corporation	Hartland, WI
Summit Machine Company	Scottdale, PA
Summit Precision, Inc	Phoenix, AZ
Sun Polishing Corporation	North Royalton, OH
Sun Tool Company	Houston, TX
Sun Valley Tool, Inc	Tempe, AZ
Sunbelt Plastics, Inc	Frisco, TX
Sunrise Tool & Die, Inc	Henderson, KY
Sunset Tool Inc	Saint Joseph, MI
Super Finishers II	Phoenix, AZ
Superior Die Set Corporation	Oak Creek, WI
Superior Die Tool Machine Co	Columbus, OH
Superior Gear Box Company	Stockton, MO
Superior Jig, Inc	Anaheim, CA
Superior Mold Company	Ontario, CA
Superior Mold, Inc	Clearwater, FL
Superior Roll Forming Company	Valley City, OH
Superior Thread Rolling Company Inc	Arleta, CA
Superior Tool & Die Company	Bensalem, PA
Superior Tool & Die Company, Inc	Elkhart, IN
Superior Tool, Inc	Willow Street, PA
Supreme Tool & Die Company	Fenton, MO
Surface Manufacturing	Auburn, CA
Svedala Pumps & Process	Colorado Springs, CO
Swiss Wire E D M	Costa Mesa, CA
Swissco, Inc	Bell Gardens, CA
Synergis Technologies Group	Grand Rapids, MI
Synergy Machine, Inc	Kent, WA
Syst-A-Matic Tool & Design	Meadville, PA
Systems 3, Inc	Tempe, AZ
T & S Industrial Machining Corp	Woburn, MA
TCI Aluminum North	Hayward, CA
T C I Precision Metals	Gardena, CA
T J Tool and Mold	Guys Mills, PA
T–K & Associates, Inc	La Porte, IN
T M Industries, Inc	East Berlin, CT
T M Machine & Tool, Inc	Toledo, OH
T M S Inc	Lincoln, RI
T–M Manufacturing Corporation	Sunnyvale, CA
TAE Corporation	Kent, WA
Tag Engineering, Inc	Tucson, AZ
Tait Design & Machine Company Inc	Manheim, PA
Talbar, Inc	Meadville, PA
Talcott Machine Products, Inc	Meriden, CT
Talent Tool & Die, Inc	Berea, OH
Tana Corporation	Toledo, OH
Tangent Tool Inc	Fraser, MI
Tanner Oil Tools Inc	Houston, TX
Tapco USA Inc	Loves Park, IL
Taurus Tool & Engineering, Inc	Muncie, IN
Tebben Enterprises	Clara City, MN
Tech-Etch, Inc	Plymouth, MA
Tech Industries, Inc	Cleveland, OH
Tech Manufacturing Company	Wright City, MO
Tech Mold, Inc	Tempe, AZ
Tech Ridge, Inc	South Chelmsford, MA
Tech Tool & Mold, Inc	Meadville, PA
Tech Tool and Machine Inc	Toledo, OH
Tech Tool, Inc	Detroit, MI
Tech-Machine, Inc	Colorado Springs, CO
Techmetals, Inc	Dayton, OH
Techni-Cast Corporation	South Gate, CA
Techni-Products, Inc	East Longmeadow, MA
Technics 2000 Inc	Olathe, KS
Technodic, Inc	Providence, RI

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

TecoMetrix, LLC	Tempe, AZ
Tedco, Inc	Cranston, RI
Teke Machine Corp	Rochester, NY
Tell Tool, Inc	Westfield, MA
Temco Corporation	Danvers, MA
Tenk Machine & Tool Company	Cleveland, OH
Tennessee Metal Works, Inc	Nashville, TN
Tennessee Tool Corporation	Charlotte, TN
Terrell Manufacturing Inc	Strongsville, OH
Testand Corporation	Pawtucket, RI
Tetco, Inc	Plainville, CT
Teter Tool & Die, Inc	La Porte, IN
Texas Honing, Inc	Pearland, TX
Thaler Machine Company	Dayton, OH
The Goforth Corp	Fremont, CA
Therm, Inc	Ithaca, NY
Thiel Tool & Engineering Co	St. Louis, MO
Thomas Machine Works, Inc	Newburyport, MA
Pleasanton Tool and Manufacturing	Pleasanton, CA
Thompson Gundrilling, Inc	Van Nuys, CA
Thor Tool Corporation	San Leandro, CA
Thornhurst Manufacturing, Inc	Tampa, FL
Three-Way Pattern, Inc	Wichita, KS
Time Machine & Stamping, Inc	Phoenix, AZ
The Timken Company	Canton, OH
Timon Tool & Die Co	Toledo, OH
Tipco Punch, Inc	Hamilton, OH
Tipp Machine & Tool, Inc	Tipp City, OH
Tisza Industries, Inc	Niles, MI
Titan, Inc	Sturtevant, WI
TLT-Babcock, Inc	Akron, OH
TMK Manufacturing Inc	Campbell, CA
Toledo Blank, Inc	Toledo, OH
Toledo Molding & Die, Inc	Toledo, OH
Tolerance Masters, Inc	Circle Pines, MN
Tomak Precision	Lebanon, OH
TomKen Tool & Engineering, Inc	Muncie, IN
Tool Gauge & Machine Works, Inc	Tacoma, WA
Tool Mate Corporation	Cincinnati, OH
Tool Specialties Company	Hazelwood, MO
Tool Specialty Company	Los Angeles, CA
Tool Steel Service of California, Inc	Los Angeles, CA
Tool Tech Corporation	San Jose, CA
Tool Tech, Inc	Springfield, OH
Tool Technology, Inc	Danvers, MA
Tool Technology, Inc	Cookeville, TN
Tool-Matic Company, Inc	City Of Commerce, CA
Toolcomp Tooling & Components	Toledo, OH
Toolcraft of Phoenix, Inc	Glendale, AZ
Toolcraft Products, Inc	Dayton, OH
Toolex, Inc	Houston, TX
Tools, Inc	Sussex, WI
Tools Renewal Company	Birmingham, AL
Top Tool & Die, Inc	Cleveland, OH
Top Tool Company	Minneapolis, MN
Totally Radical Associates, Inc	Placentia, CA
Toth Industries, Inc	Toledo, OH
Toth Technologies	Cherry Hill, NJ
Tower Tool & Engineering, Inc	Machesney Park, IL
Trace-A-Matic Corporation	Brookfield, WI
Tracer Tool & Die Company Inc	Grand Rapids, MI
Trademark Die & Engineering	Belmont, MI
Tram Tek Inc	Phoenix, AZ
Trans-World Electric Inc	Port Arthur, TX
Treblig, Inc	Greenville, SC
Trec Industries, Inc	Brooklyn Heights, OH
Tree City Mold & Machine Co., Inc	Kent, OH
Treffers Precision, Inc	Phoenix, AZ
Tresco Tool, Inc	Guys Mills, PA
Tn Craft, Inc	Middleberg Heights, OH
Tn J Machine Company, Inc	Gardena, CA
Tn-City Machine Products, Inc	Peoria, IL
Tn-City Tool & Die, Inc	Bay City, MI
Tri-M-Mold, Inc	Stevensville, MI

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

Tn-Wire, Inc	Rockford, IL
Triad Plastic Technologies	Reno, NV
Triangle Mold & Machine Co. Inc	Hartville, OH
Triangle Tool Company	Erie, PA
Tricon Machine & Tool, Inc	Rochester, NY
Tricore Mold & Die	Machesney Park, IL
Tridecs Corporation	Hayward, CA
Trident Precision Manufacturing	Webster, NY
Trig Aerospace	Santa Ana, CA
Trimac Manufacturing, Inc	Santa Clara, CA
Trimetric Specialties, Inc	Newark, CA
Trimline Tool, Inc	Grandville, MI
Trinity Tools, Inc	North Tonawanda, NY
Trio Tool & Die, Inc	Hawthorne, CA
Triple Quality Tool & Die, Inc	Bell, CA
Triple-T Cutting Tools Inc	West Berlin, NJ
Triplett Machine, Inc	Phelps, NY
Triumph Precision, Inc	Phoenix, AZ
Trojan Mfg. Co. Inc	Piqua, OH
Trotwood Corporation	Trotwood, OH
Tru Cut, Inc	Sebring, OH
Tru Form Manufacturing Corp	Rochester, NY
Tru Tool, Inc	Sturtevant, WI
True Cut EDM Inc	Garland, TX
True Position, Inc	Chatsworth, CA
True-Tech Corporation	Fremont, CA
Trueline Tool & Machine, Inc	Springfield, OH
Trust Technologies	Willoughby, OH
Trutron Corporation	Troy, MI
Tschida Engineering, Inc	Napa, CA
Tucker Machine Company	North Branford, CT
Turbo Machine & Tool, Inc	Cleveland, OH
Turn-Tech, Inc	Decker Prairie, TX
Turner and Walima Mfg. Co., Inc	Essex, MA
Turner's Machine Shop	Phoenix, AZ
Twin City Plating Company	Minneapolis, MN
Two-M Precision Co., Inc	Willoughby, OH
Tymar Precision Inc	Santa Clara, CA
U C O Tool & Die, Inc	Union City, OH
U F E Incorporated	Stillwater, MN
U M C, Inc	Hamel, MN
U P Machine & Engineering Co.	Powers, MI
USAeroteam	Dayton, OH
U S Machine & Tool, Inc	Murfreesboro, TN
Uddeholm	Santa Fe Springs, CA
Ugm, Inc	Santa Clara, CA
Ultra Precision, Inc	Freeport, PA
Ultra Stamping & Assembly, Inc	Rockford, IL
Ultra Tool & Manufacturing, Inc	Menomonee Falls, WI
Ultra-Tech, Inc	Kansas City, KS
Ultramation, Inc	Waco, TX
Ultron	Long Beach, CA
Uneco Manufacturing, Inc	Chicopee, MA
Unigraphics Solutions	Brookfield, WI
Unique Machine Company	Montgomeryville, PA
Unique Tool & Manufacturing	Randleman, NC
Unitech, Inc	Kansas City, MO
United Centerless Grinding	East Hartford, CT
United Engineering Company	Kernersville, NC
United Machine Co., Inc	Wichita, KS
The United Plastics Group, Inc	Ludlow, MA
United States Fittings, Inc	Warrensville Heights, OH
United Tool & Engineering Co.	South Beloit, IL
United Tool & Engineering, Inc	Mishawaka, IN
United Tool & Mold Inc	Holland, MI
Universal Brixius Inc	Milwaukee, WI
Universal Custom Process, Inc	Streetsboro, OH
Universal Precision Products Inc	Akron, OH
Universal Tool Company	Dayton, OH
Universal Tools & Manufacturing	Springfield, NJ
Universe Industries	Irvine, CA
Upland Fab, Inc	Ontario, CA
V & M Tool Company, Inc	Perkasie, PA
V & S Die & Mold, Inc	Lakewood, OH

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

V A Machine & Tools, Inc	Broussard, LA
V Ash Machine Company	Cleveland, OH
V I Mfg.	Webster, NY
V P C, Inc	Berea, OH
Valley Machine Works, Inc	Phoenix, AZ
Valley Tool & Die, Inc	North Royalton, OH
Valley Tool Room, Inc	Phoenix, AZ
Valv-Trol Company	Stow, OH
Van Engineering	Cincinnati, OH
Van Os Machine Works, Inc	St. Louis, MO
Van Reenen Tool & Die Inc	Rochester, NY
Van-Am Tool & Engineering, Inc	St. Joseph, MO
Vanderveer Industrial Plastics	Placentia, CA
Vanpro, Inc	Cambridge, MN
Vaughn Manufacturing Company	Nashville, TN
Vektek, Inc	Emporia, KS
Venango Machine Products, Inc	Reno, PA
Venture Precision Machining Co	Champaign, IL
Venture Tool, Inc	Erie, PA
Ver-Sa-Til Associates, Inc	Chanhassen, MN
VersaTool & Die Machining	Beloit, WI
Vi-Tec Manufacturing Inc	Livermore, CA
Viking Tool & Engineering	Whitehall, MI
Viking Tool & Gage, Inc	Conneaut Lake, PA
Vistek Precision Machine Company	Ivyland, PA
Vitron Manufacturing, Inc	Phoenix, AZ
Vitullo & Associates, Inc	Warren, MI
Vobeda Machine & Tool Company	Racine, WI
Vulcan Tool Corporation	Dayton, OH
W + D Machinery Company, Inc	Overland Park, KS
W & H Stampings & Fineblanking, Inc	Hauppauge, NY
W D & J Machine & Engineering Inc	Fullerton, CA
W E C Technologies Corporation	Amityville, NY
W G Strohwig Tool & Die, Inc	Richfield, WI
WSI Industries, Inc	Minneapolis, MN
W W G, Inc	Indianapolis, IN
WADKO Precision, Inc	Houston, TX
Wagner Engineering, Inc	Gilbert, AZ
Waiteco Machine	Acton, MA
Wajo Tool and Die, Inc	East Hampstead, NH
Walker Corporation	Ontario, CA
Walker Tool & Machine Company	Perrysburg, OH
Wallner Tooling/Expac, Inc	Rancho Cucamonga, CA
Waltco Engineering, Inc	Gardena, CA
Walter Tool & Mfg. Inc	Elgin, IL
Walter Waukesha, Inc	Waukesha, WI
Walz & Krenzer, Inc	Rochester, NY
Warmelin Precision Products	Hawthorne, CA
Waukesha Tool & Stamping Inc	Sussex, WI
Wausau Insurance Companies	Wausau, WI
Wayne Manufacturing, Inc	Boulder, CO
Webco Machine Products, Inc	Valley View, OH
Weco Metal Products	Ontario, NY
Weiss-Aug Co. Inc	East Hanover, NJ
Wejco Instruments Inc	Houston, TX
George Welsch & Son Company	Cleveland, OH
Weltek-Swiss	Englewood, CO
Wemco Precision Tool, Inc	Meadville, PA
Wentworth Company	Glastonbury, CT
Werkema Machine Company, Inc	Grand Rapids, MI
Wes Products	Madison Heights, MI
West Hartford Tool & Die Company	Newington, CT
West Pharmaceutical Services	Erie, PA
West Tool & Manufacturing, Inc	Cleveland, OH
West Valley Milling, Inc	Chatsworth, CA
West Valley Precision Inc	Santa Clara, CA
Westbrook Manufacturing, Inc	Dayton, OH
Western Mass. MechTech, Inc	Ware, MA
Western Steel Cutting, Inc	San Jose, CA
Western Tap Manufacturing Co	Buena Park, CA
Westfield Gage Company, Inc	Westfield, MA
Westfield Tool & Die, Inc	Westfield, MA
Westlake Tool & Die Mfg.	Avon, OH
Westtool Inc	Phoenix, AZ

NTMA CERTIFICATE MEMBER LIST APPLICATION 88–4A012—Continued

White Machine, Inc	North Kingstown, RI
White Machine, Inc	North Royalton, OH
Whitehead Tool & Design, Inc	Guys Mills, PA
Wiegel Tool Works, Inc	Wood Dale, IL
Wightman Engineering Services	Santa Clara, CA
Wilco Die Tool Machine Company	Maryland Heights, MO
Wilkinson Mfg., Inc	Santa Clara, CA
The Will-Burt Company	Orrville, OH
Willer Tool Corporation	Jackson, WI
William Sopko & Sons Co., Inc	Cleveland, OH
Williams Engineering &	Chatsworth, CA
Williams Machine, Inc	Lake Elsinore, CA
Windsor Tool & Die, Inc	Cleveland, OH
Winter's Grinding Service	Menomonee Falls, WI
Wire Cut Company, Inc	Buena Park, CA
Wire Tech E D M, Inc	Los Alamitos, CA
WireCut E D M, Inc	Dallas, TX
Wirecut Technologies Inc	Indianapolis, IN
Wiretec, Inc	Delmont, PA
Wisconsin Engraving Company/	New Berlin, WI
Wisconsin Metalworking Machinery	Waukesha, WI
Wisconsin Mold Builders, LLC	Waukesha, WI
Wise Machine Co., Inc	Butler, PA
Wolfe Engineering, Inc	Campbell, CA
Wolverine Bronze Company	Roseville, MI
Wolverine Tool & Engineering	Belmont, MI
Wolverine Tool Company	St. Clair Shores, MI
Woodruff Corporation	Torrance, CA
Wright Brothers Welding & Sheet Metal, Inc	Hollister, CA
Wright Industries, Inc	Gilbert, AZ
Wright-K Technology, Inc	Saginaw, MI
X L I Corporation	Rochester, NY
Yates Tool, Inc	Medina, OH
Yoder Die Casting Corporation	Dayton, OH
Youngberg Industries, Inc	Belvidere, IL
Youngers and Sons Manufacturing	Viola, KS
Youngstown Plastic Tooling & Machine, Inc	Youngstown, OH
Z & Z Machine Products Inc	Racine, WI
Z M D Mold & Die Inc	Mentor, OH
Zip Tool & Die Co., Inc	Cleveland, OH
Zircon Precision Products, Inc	Tempe, AZ
Zuelzke Tool & Engineering	Milwaukee, WI

[FR Doc. 01–4373 Filed 2–26–01; 8:45 am]
BILLING CODE 3510–DR–P

DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

ACTION: Notice of revocation of Export Trade Certificate of Review No. 83–00024.

SUMMARY: The Secretary of Commerce issued an export trade certificate of review to U.S. Export & Trading Company. Because this certificate holder has failed to file an annual report as required by law, the Secretary is revoking the certificate. This notice summarizes the notification letter sent to U.S. Export & Trading Company.

FOR FURTHER INFORMATION CONTACT: Vanessa Bachman, Acting Director, Office of Export Trading Company Affairs, International Trade Administration, 202/482–5131 (this is not a toll-free number) or at E-mail at oetca@ita.doc.gov.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (''the Act'') (Pub. L. No. 97–290, 15 U.S.C. 4011–21) authorizes the Secretary of Commerce to issue export trade certificates of review. The regulations implementing Title III (''the Regulations'') are found at 15 CFR part 325 (2000). Pursuant to this authority, a certificate of review was issued on December 23, 1983 to U.S. Export & Trading Company.

A certificate holder is required by law to submit to the Department of Commerce annual reports that update financial and other information relating to business activities covered by its certificate (Section 308 of the Act, 15 U.S.C. 4018, section 235.14(a) of the Regulations, 15 CFR 325.14(a)). The annual report is due within 45 days after the anniversary date of the issuance of the certificate of review (Sections 325.14(b) of the Regulations, 15 CFR 325.14(b)). Failure to submit a complete annual report may be the basis for revocation (Sections 325.10(a) and 325.14(c) of the Regulations, 15 CFR 325.10(a)(3) and 325.14(c)).

On December 13, 1999, the Department of Commerce sent to U.S. Export & Trading Company a letter containing annual report questions with a reminder that its annual report was due on February 6, 2000. Additional reminders were sent on May 2, 2000 and on July 19, 2000. The Department has received no written response from U.S. Export & Trading Company to any of these letters.

On November 17, 2000, and in accordance with section 325.10(c)(2) of the Regulations (15 CFR 325.10(c)(2)), the Department of Commerce sent a letter by certified mail to notify U.S. Export & Trading Company that the Department was formally initiating the process to revoke its certificate for failure to file an annual report. In

addition, a summary of this letter allowing U.S. Export & Trading Company thirty days to respond was published in the **Federal Register** (65 FR 77346) on December 11, 2000. Pursuant to section 325.10(c)(2) of the Regulations (15 CFR 325.10(c)(2)), the Department considers the failure of U.S. Export & Trading Company to respond to be an admission of the statements contained in the notification letter.

The Department has determined to revoke the certificate issued to U.S. Export & Trading Company for its failure to file an annual report. The Department has sent a letter, dated February 21, 2001, to notify U.S. Export & Trading Company of its determination. The revocation is effective thirty (30) days from the date of publication of this notice. Any person aggrieved by this decision may appeal to an appropriate U.S. district court within 30 days from the date on which this notice is published in the **Federal Register** sections 325.10(c)(4) and 325.11 of the Regulations, 15 CFR 324.10(c)(4) and 325.11 of the Regulations, 15 CFR 325.10(c)(4) and 325.11).

Dated: February 21, 2001.

Vanessa Bachman,

Acting Director, Office of Export Trading Company Affairs.

[FR Doc. 01–4708 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–DR–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration (NOAA)

[I.D. 022001B]

Submission for OMB Review; Comment Request

SUMMARY: The Department of Commerce has submitted to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

SUPPLEMENTARY INFORMATION: *Agency:* National Oceanic and Atmospheric Administration (NOAA).

Title: NOAA Space-Based Data Collection System (DCS) Agreements.

Form Number(s): None.

OMB Approval Number: 0648–0157.

Type of Request: Regular submission.

Burden Hours: 440.

Number of Respondents: 390.

Average Hours Per Response: 3 hours for a GOES use agreement, 1 hour for an Argos use agreement.

Needs and Uses: NOAA operates two space-based data collection systems (DCS): the Geostationary Operational Environmental Satellite (GOES) DCS and the Argos DSC flown on polar-orbiting satellites. NOAA allows users access to the DCS if they meet certain criteria. Applicants must submit information to ensure they meet these criteria. NOAA does not approve agreements when commercial services are available that can fulfill users' requirements.

Affected Public: Not-for-profit institutions, business or other for-profit organizations, individuals, and state, local, or tribal government.

Frequency: 3–5 years.

Respondent's Obligation: Required to obtain or retain benefits.

OMB Desk Officer: David Rostker, (202) 395–3897.

Copies of the above information collection proposal can be obtained by calling or writing Madeleine Clayton, Departmental Forms Clearance Officer, (202) 482–3129, Department of Commerce, Room 6086, 14th and Constitution Avenue, NW, Washington, DC 20230 (or via the Internet at MClayton@doc.gov).

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to David Rostker, OMB Desk Officer, Room 10202, New Executive Office Building, Washington, DC 20503.

Dated: February 15, 2001.

Madeleine Clayton,

Departmental Forms Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 01–4691 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–HR–S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 022001E]

Gulf of Mexico Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meeting.

SUMMARY: The Gulf of Mexico Fishery Management Council will convene a public meeting of the Law Enforcement Advisory Panel (LEAP).

DATES: This meeting will be held on March 14, 2001, from 1 p.m. to 5 p.m.

ADDRESSES: This meeting will be held at the Holiday Inn Fort Brown, 1900 East Elizabeth, Brownsville, TX 78520; telephone: 956–546–2201.

Council address: Gulf of Mexico Fishery Management Council, 3018 U.S. Highway 301 North, Suite 1000, Tampa, FL 33619.

FOR FURTHER INFORMATION CONTACT: Richard Leard, Senior Fishery Biologist, Gulf of Mexico Fishery Management Council; telephone: 813–228–2815.

SUPPLEMENTARY INFORMATION: The LEAP will convene to hear options papers for Amendment 10 to the Shrimp Fishery Management Plan (FMP) and Amendment 18 to the Reef Fish FMP. The Options Paper for Amendment 10 to the Shrimp FMP contains alternatives to address additional bycatch reduction from shrimp trawls used in the Exclusive Economic Zone (EEZ) off Florida, south and east of Cape San Blas (85°30' W. Longitude). Some of the alternatives being considered include additional or extended closed areas and/or seasons and requiring bycatch reduction devices. The Options Paper for Amendment 18 to the Reef Fish FMP contains options for a comprehensive management strategy for groupers and includes alternatives for effort management, gear allowances, size limits, bag limits, and adjustments to fishing seasons and areas, among others. The LEAP will also review a Draft Amendment for a Charter Vessel/Headboat Permit Moratorium that includes various alternatives to cap effort in the charter industry of the Gulf. The LEAP will also receive status reports of various FMPs, Amendments, and Regulatory Actions; state and federal enforcement reports; and consider adoption of a Cooperative Law Enforcement Operations Plan for 2001 that was developed by the LEAP and the Gulf States Marine Fisheries Commission's Law Enforcement Committee.

The LEAP consists of principal law enforcement officers in each of the Gulf states as well as NMFS, the U.S. Coast Guard, and NOAA General Counsel. A copy of the agenda and related materials can be obtained by calling the Council office at 813–228–2815.

Although other non-emergency issues not on the agendas may come before the LEAP for discussion, in accordance with the Magnuson-Stevens Fishery Conservation and Management Act, those issues may not be the subject of formal action during this meetings. Actions of the LEAP will be restricted to those issues specifically identified in the agenda and any issues arising after publication of this notice that require emergency action under Section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the

Council's intent to take action to address the emergency.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Anne Alford at the Council (see **ADDRESSES**) by March 7, 2001.

Dated: February 20, 2001.

Richard W. Surdi,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 01–4695 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22–S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 022001D]

Mid-Atlantic Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meeting.

SUMMARY: The Mid-Atlantic Fishery Management Council's (Council) Habitat Committee and Habitat Advisory Panel will hold a public meeting.

DATES: The meeting will be held on Monday, March 12, 2001, from 10 a.m. until 5 p.m.

ADDRESSES: This meeting will be held at the Renaissance Philadelphia Hotel Airport, 500 Stevens Drive, Philadelphia, PA; telephone: 610–521–5900.

Council address: Mid-Atlantic Fishery Management Council, Room 2115, 300 S. New Street, Dover, DE 19904.

FOR FURTHER INFORMATION CONTACT: Daniel T. Furlong, Executive Director, Mid-Atlantic Fishery Management Council; telephone: 302–674–2331, ext. 19.

SUPPLEMENTARY INFORMATION: The purpose of this meeting is to initiate development of Council policy and guidelines for species fishery management plan (FMP) committees to draw upon to investigate the use of marine protected areas (MPAs) as a management tool, and to develop a framework that requires mandatory coordination with the Council for any MPAs in the mid-Atlantic exclusive economic zone (EEZ) waters. It will also address essential fish habitat (EFH) requirements regarding the Council's current FMPs and proposed amendments thereto.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically identified in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Joanna Davis at the Council (see **ADDRESSES**) at least 5 days prior to the meeting date.

Dated: February 20, 2001.

Richard W. Surdi,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 01–4694 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22 –S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 022101B]

New England Fishery Management Council; Public Meetings

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meetings.

SUMMARY: The New England Fishery Management Council (Council) is scheduling a public meeting of its Research Steering Committee and Red Crab Committee in March, 2001 to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from these groups will be brought to the full Council for formal consideration and action, if appropriate.

DATES: The meetings will be held between Friday, March 9, 2001, and Tuesday, March 13, 2001. See **SUPPLEMENTARY INFORMATION** for specific dates and times.

ADDRESSES: The meetings will be held in Peabody, MA and New London, CT. See *SUPPLEMENTARY INFORMATION* for specific locations.

FOR FURTHER INFORMATION CONTACT: Paul J. Howard, Executive Director, New England Fishery Management Council; (978) 465–0492.

SUPPLEMENTARY INFORMATION:

Meeting Dates and Agendas

Friday, March 9, 2001, 9:30 a.m.—Research Steering Committee

Location: Holiday Inn, One Newbury Street, Route 1, Peabody, MA 01960; telephone: (978) 535–4600

The agenda will include discussion and development of a coordination mechanism between the Research Steering Committee and the industry-based survey (and related projects), cod tagging and bycatch/discard/conservation engineering programs currently under consideration. The committee also will discuss mechanisms for future funding of regional research efforts.

Tuesday, March 13, 2001, 1 p.m. to 5 p.m.—Red Crab Committee Meeting

Location: Radisson Hotel, 35 Governor Winthrop Boulevard, New London, CT 06320; telephone: (860) 443–7000.

The committee will hear a report from the Red Crab Plan Development Team. The committee will discuss the goals and objectives for the Red Crab Fishery Management Plan (FMP) and will begin to identify the types of management measures and alternatives to be considered in the development of the FMP.

Although non-emergency issues not contained in this agenda may come before this Council for discussion, those issues may not be the subject of formal Council action during this meeting. Council action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Paul J. Howard (see **ADDRESSES**) at least 5 days prior to the meeting dates.

Dated: February 21, 2001.

Richard W. Surdi,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 01–4693 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22–S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 021401A]

Endangered Species; Permits

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Expiration of scientific research permits 948 and 956.

SUMMARY: Notice is hereby given of the following actions regarding permits for takes of endangered and threatened species for the purposes of scientific research and/or enhancement: The purpose of this notice is to announce that scientific research permits issued to the Northern Wasco County People's Utility District at The Dalles, OR (NWCPUD) and the U.S. Geological Survey at Cook, WA (USGS) have expired and that pending modifications to those permits will not be issued.

ADDRESSES: Comments may be sent via fax to the number indicated for the application or modification request. Comments will not be accepted if submitted via e-mail or the Internet. The applications and related documents are available for review in the indicated office, by appointment:

For permits 948 and 956: Protected Resources Division, F/NWR3, 525 NE Oregon Street, Suite 500, Portland, OR 97232–4169 (ph: 503–230–5400, fax: 503–230–5435).

Documents may also be reviewed by appointment in the Office of Protected Resources, F/PR3, NMFS, 1315 East-West Highway, Silver Spring, MD 20910–3226 (phone:301–713–1401).

FOR FURTHER INFORMATION CONTACT: Robert Koch, Portland, OR (ph: 503–230–5424, fax: 503–230–5435, e-mail: Robert.Koch@noaa.gov).

SUPPLEMENTARY INFORMATION:

Authority

Issuance of permits and permit modifications, as required by the Endangered Species Act of 1973 (16 U.S.C. 1531–1543) (ESA), is based on a finding that such permits/modifications: (1) are applied for in good faith; (2) would not operate to the disadvantage of the listed species which are the subject of the permits; and (3) are consistent with the purposes and policies set forth in section 2 of the ESA. Authority to take listed species is subject to conditions set forth in the permits. Permits and modifications are issued in accordance with and are subject to the ESA and NMFS regulations governing listed fish and wildlife permits (50 CFR parts 222-226).

Those individuals requesting a hearing on an application listed in this notice should set out the specific reasons why a hearing on that application would be appropriate (see **ADDRESSES**). The holding of such hearing is at the discretion of the Assistant Administrator for Fisheries, NOAA. All statements and opinions contained in the permit action summaries are those of the applicant and do not necessarily reflect the views of NMFS.

Species Covered in This Notice

The following species and evolutionary significant units (ESUs) are covered in this notice:

Sockeye salmon (*Oncorhynchus nerka*): endangered Snake River (SnR).

Chinook salmon (*O. tshawytscha*): endangered, naturally produced and artificially propagated, upper Columbia River (UCR) spring; threatened, naturally produced and artificially propagated, SnR spring/summer; threatened SnR fall.

Steelhead (*O. mykiss*): endangered, naturally produced and artificially propagated, UCR; threatened SnR.

Expired Permits

Notice was published on March 6, 1998 (63 FR 11220) that NWCPUD applied for modification 2 to scientific research permit 948 for, in part, an annual take of juvenile SnR steelhead. Notice was published on February 11, 1999 (64 FR 6880) that NWCPUD applied for modification 3 to scientific research permit 948 for an annual take of juvenile, naturally produced and artificially propagated, UCR spring chinook salmon. Permit 948 authorized NWCPUD annual takes of juvenile SnR sockeye salmon; juvenile, naturally produced and artificially propagated, SnR spring/summer chinook salmon; juvenile SnR fall chinook salmon; and juvenile, naturally produced and artificially propagated, UCR steelhead associated with research designed to assess juvenile anadromous fish condition after passage through the screened turbine intake channel at The Dalles Dam, located on the lower Columbia River in the Pacific Northwest. These requested permit actions will not be issued because NWCPUD's permit expired (on September 30, 1999) before NMFS could issue them. NWCPUD has submitted an application for a permit (1229) to replace permit 948 (see 65 FR 2381, January 14, 2000).

Notice was published on March 6, 1998 (63 FR 11222) that USGS applied for modification 3 to scientific research permit 956 for an annual take of juvenile SnR steelhead. Permit 956 authorized USGS annual takes of juvenile, naturally-produced and artificially-propagated, SnR spring/summer chinook salmon and juvenile SnR fall chinook salmon associated with a study designed to obtain data on the distribution, abundance, movement, and habitat preferences of the anadromous fish that migrate through Lower Granite Reservoir; to evaluate the operation of a surface bypass collector in the forebay of Lower Granite Dam; and to verify species of hydroacoustic surveys. The requested permit modification will not be issued because USGS's permit expired (on September 30, 1999) before NMFS could issue it. USGS has submitted an application for a permit (1240) to replace permit 956 (see 65 FR 11288, March 2, 2000).

Dated: February 15, 2001.

Phil Williams,

Acting Chief, Endangered Species Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 01–4690 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22–S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 020801D]

Marine Mammals; File No. 990-1603-00

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Issuance of permit.

SUMMARY: Notice is hereby given that John Muir Institute of the Environment, University of California, Davis, One Shields Avenue, Davis, California 95616 (Principal Investigator: Ms. Lizabeth Bowen) has been issued a permit to import/export California sea lion (*Zalophus californianus*) blood samples from Mexico and to France for purposes of scientific research.

ADDRESSES: The permit and related documents are available for review upon written request or by appointment in the following office(s):

Permits and Documentation Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910 (301/713–2289); and

Regional Administrator, Southwest Region, NMFS, 501 West Ocean Blvd.,

Suite 4200, Long Beach, CA 90802-4213 (562/980–4001);

FOR FURTHER INFORMATION CONTACT: Ruth Johnson or Tammy Adams 301/713–2289.

SUPPLEMENTARY INFORMATION: On October 11, 2000, notice was published in the **Federal Register** (65 FR 60411) that a request for a scientific research permit to import/export California sea lion blood samples had been submitted by the above-named organization. The requested permit has been issued under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et seq.*) and the Regulations Governing the Taking and Importing of Marine Mammals (50 CFR part 216).

Dated: February 21, 2001.

Eugene Nitta,

Acting Chief, Permits and Documentation Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 01–4746 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–22–S

DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

Patent Processing (Updating) (Proposed Addition of Form PTO/SB/32 ''Request for Oral Hearing Before the Board of Patent Appeals and Interferences'' and Form PTO/SB/37 ''Request for Deferral of Examination 37 CFR 1.103(d)'')

ACTION: Proposed collection; comment request.

SUMMARY: The United States Patent and Trademark Office (USPTO), as 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 the revision of a continuing information collection, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before April 30, 2001.

ADDRESSES: Direct all written comments to Susan K. Brown, Records Officer, Data Administration Division, Office of Data Management, United States Patent and Trademark Office, Crystal Park 3, Suite 310, Washington, DC 20231; by telephone at (703) 308–7400; or by electronic mail at Susan.Brown@uspto.gov.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Robert J. Spar, Director, Office of Patent Legal Administration, United States Patent and Trademark Office, Washington, DC 20231; by telephone at (703) 308–5107; or by electronic mail at Bob.Spar@uspto.gov.

SUPPLEMENTARY INFORMATION:

I. Abstract

Patent applicants or owners of patents under reexamination may appeal the decision of a patent examiner by filing a notice of appeal to the Board of Patent Appeals and Interferences (the Board). Additionally, the appellant may also make a written request for an oral hearing before the Board if the appellant believes such a hearing is necessary for the proper presentation of the appeal. Effective December 1, 1997, 37 CFR 1.194(b) was amended to require this written request for an oral hearing before the Board to be filed ''in a separate paper'' from the appeal itself. *See* Changes to Patent Practice and Procedure, Final Rule, 62 FR 53132, 53170, 53197 (Oct. 10, 1997). In accordance with this rule change and in response to requests from the public, the USPTO has created Form PTO/SB/32, ''Request for Oral Hearing Before the Board of Patent Appeals and Interferences.'' This form will allow the public to comply quickly and easily with the requirements set forth in 37 CFR 1.194(b) to request an oral hearing before the Board on a separate piece of paper.

In order to implement the Patent Business Goals, and in accordance with the eighteen-month publication provisions of the American Inventors Protection Act of 1999, the USPTO has amended 37 CFR 1.103 to permit applicants to request deferred examination for up to three years from the earliest filing date for which a benefit is claimed under title 35 of the United States Code. *See* Changes to Implement Eighteen-Month Publication of Patent Applications, Final Rule, 65 FR 57024, 57033, 57056 (Sept. 20, 2000). Section 1.103(d) now allows applicants to request deferred examination under the following conditions: (1) The application is filed on or after November 29, 2000 (or is an application for which the applicant requests voluntary publication), and is an original utility or plant application filed under § 1.53(b) or an application resulting from entry of an international application into the national stage after compliance with § 1.494 or § 1.495; (2) the applicant has not filed a nonpublication request under § 1.213(a), or has filed a request under § 1.213(b) to rescind a previously filed nonpublication request; (3) the application is in condition for publication as provided in § 1.211(c); and (4) the USPTO has not issued either an Office action under 35 U.S.C. § 132 or a notice of allowance under 35 U.S.C. § 151. To assist applicants in making a request for deferred examination under § 1.103(d), the USPTO has developed a new form for submitting the required information, Form PTO/SB/37 ''Request for Deferral of Examination 37 CFR 1.103(d).''

The USPTO proposes to add these two forms, PTO/SB/32 and PTO/SB/37, to the information collection previously approved under OMB control number 0651–0031, Patent Processing (Updating).

II. Method of Collection

By mail, facsimile, or hand delivery when the applicant wishes to request an oral hearing under 37 CFR 1.194(b) or a deferral of examination under 37 CFR 1.103(d).

III. Data

OMB Number: 0651–0031.

Form Number(s): PTO/SB/32 and PTO/SB/37.

Type of Review: Addition to an existing information collection.

Affected Public: Individuals or households; businesses or other for-profits; not-for-profit institutions; farms; the Federal Government; and state, local or tribal governments.

Estimated Number of Respondents: The USPTO estimates receiving 1,224 responses per year using Form PTO/SB/32 and 50 responses per year using Form PTO/SB/37, for a total of 1,274 responses per year. These 1,274 responses are in addition to the previously approved 2,231,365 responses, increasing the total number of responses for this collection to 2,232,639 per year.

Estimated Time Per Response: The USPTO estimates that it will take the public 12 minutes (.2 hours) to complete the request for an oral hearing and 12 minutes (.2 hours) to complete the request for deferred examination. These estimates include the time to gather the necessary information and submit the completed form.

Estimated Total Annual Respondent Burden Hours: The USPTO estimates that the total annual burden hours will be 245 hours per year for Form PTO/SB/32 and 10 hours per year for Form PTO/SB/37, for a total of 255 hours per year. These 255 hours are in addition to the previously approved annual burden of 1,018,736 hours, increasing the total annual burden for this collection to 1,018,991 hours.

Estimated Total Annual Respondent Cost Burden: Of the 1,224 estimated annual responses for Form PTO/SB/32, the USPTO expects to receive 275 responses from small entities (§ 1.9(f)) and 949 responses from others. Under 37 CFR 1.17(d), the processing fee for filing a request for an oral hearing before the Board of Patent Appeals and Interferences is $135 for small entities and $270 for others. Therefore, the total annual nonhour cost burden associated with this form is $293,355.

When filing a request for deferral of examination, the applicant must pay the processing fee of $130 indicated by 37 CFR 1.17(i) and the publication fee of $300 indicated by 37 CFR 1.18(d). The combined filing cost of $430 for each request results in a total annual nonhour cost burden of $21,500 associated with this form.

Using the professional hourly rate of $175 per hour for associate attorneys in private firms, the USPTO estimates $42,840 per year for salary costs associated with respondents using Form PTO/SB/32, and $1,750 per year for salary costs associated with respondents using Form PTO/SB/37.

Item	Form number	Estimated time for response (minutes)	Estimated annual responses	Estimated annual burden hours
Request for Oral Hearing Before the Board of Patent Appeals and Interferences.	POT/SB/32	12	1,224	245
Request for Deferral of Examination 37 CFR 1.103(d)	PTO/SB/37	12	50	10
Total			1,274	255

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 cost) 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, e.g., the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: February 20, 2001.

Susan K. Brown,

Records Officer, USPTO, Office of Data Management, Data Administration Division.

[FR Doc. 01–4698 Filed 2–26–01; 8:45 am]

BILLING CODE 3510–16–P

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Information Collection; Submission for OMB Review; Comment Request

AGENCY: Corporation for National and Community Service.

ACTION: Notice.

The Corporation for National and Community Service (hereinafter the ''Corporation''), has submitted the following public information collection requests (ICRs) to the Office of Management and Budget for review and approval in accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104–13. (44 U.S.C. chapter 35)). Copies of these individual ICRs, with applicable supporting documentation, may be obtained by calling the Corporation for National and Community Service, Office of Evaluation, Chuck Helfer, (202) 606–5000, extension 248. Individuals who use a telecommunications device for the deaf (TTY/TDD) may call (202) 606–5256 between the hours of 9:00 a.m. and 4:30 p.m. Eastern time, Monday through Friday.

Comments should be sent to the Office of Information and Regulatory Affairs, Attn: Ms. Brenda Aguilar, OMB Desk Officer for the Corporation for National and Community Service, Office of Management and Budget, Room 10235, Washington, D.C. 20503, (202) 395–7326, within 30 days of this publication in the **Federal Register**.

The OMB is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the Corporation, including whether the information will have practical utility;
- 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;
- Propose ways to enhance the quality, utility and clarity of the information to be collected; and
- Propose ways to minimize the burden of the collection of information to 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 submissions of responses.

Type of Review: New.

Agency: Corporation for National and Community Service.

Title: Evaluation of the Effectiveness of Learn and Serve America Grants in Promoting Institutionalization of Service-Learning in Grantee Institutions.

OMB Number: None.

Agency Number: None.

Affected Public: Service-learning coordinators, service-learning program administrators or similar staff at schools, school districts, community-based organizations or higher education institutions that received a Learn and Serve America grant in 1994–95.

Total Respondents: Approximately 470 service-learning coordinators or similar staff in schools, districts, community-based organizations and higher education institutions that received Learn and Serve grants.

Frequency: This is a one-time survey.

Average Time Per Response: 60 minutes.

Estimated Total Burden Hours: 470 hours.

Total Burden Cost (capital/startup): None.

Total Burden Cost (operating/maintenance): None.

Description: The Corporation seeks approval of a survey to be used in evaluating the effectiveness of Learn and Serve America grants in promoting the institutionalization of service-learning in grantee institutions and the degree to which funded programs have been and are likely to be sustained after the completion of the grant period. There are four versions of the survey: one each for K–12 district and school-based programs, one for community-based organizations, and one for higher education institutions. The versions are parallel in structure and content, with variations in the wording of specific items to address the characteristics of

each type of institution. The surveys will be administered to a sample of 470 Learn and Serve grantee and subgrantee organizations that received their initial Learn and Serve grants in 1994–95.

The study will allow the Corporation to assess the growth and institutionalization of service-learning in Learn and Serve grantee institutions, to assess the degree to which service-learning activities have been sustained after the end of Learn and Serve funding, and to assess the role of Learn and Serve America grants in promoting the growth and institutionalization of service-learning in grantee institutions. Findings from the study will help the Corporation to develop more effective strategies for supporting institutionalization of service-learning through its planning, grantmaking and technical assistance activities.

There have been two changes since the publication of the 60 day notice (**Federal Register**, November 16, 2000 (Volume 65, Number 222), Pages 69288–69290). The original plan called for the survey to be administered through a telephone interview. The current plan calls for the survey to be distributed as a paper-based, mail survey. The original plan also included short and long versions of each form. The current submission includes a single version of each form.

Dated: February 21, 2001.

Lance D. Potter,

Director, Office of Evaluation.

[FR Doc. 01–4712 Filed 2–26–01; 8:45 am]

BILLING CODE 6050–$$–U

DEPARTMENT OF ENERGY

[Docket No. EA–233]

Application To Export Electric Energy; Idaho Power Company

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of application.

SUMMARY: Idaho Power Company (IPC) has applied for authority to transmit electric energy from the United States to Mexico pursuant to section 202(e) of the Federal Power Act.

DATES: Comments, protests or requests to intervene must be submitted on or before March 29, 2001.

ADDRESSES: Comments, protests or requests to intervene should be addressed as follows: Office of Coal & Power Im/Ex (FE–27), Office of Fossil Energy, U.S. Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585–0350 (FAX 202–287–5736).

FOR FURTHER INFORMATION CONTACT: Steven Mintz (Program Office) 202–586–9506 or Michael Skinker (Program Attorney) 202–586–6667.

SUPPLEMENTARY INFORMATION: Exports of electricity from the United States to a foreign country are regulated and require authorization under section 202(e) of the Federal Power Act (FPA) (16 U.S.C. 824a(e)).

On February 12, 2001, the Office of Fossil Energy (FE) of the Department of Energy (DOE) received an application from IPC to transmit electric energy from the United States to MexiCo IPC is a wholly owned subsidiary of IDACORP, Inc IPC is incorporated under the laws of the State of Idaho and is authorized to operate in Idaho, Oregon, and Nevada. The electric energy IPC proposes to export to Mexico would be purchased from electric utilities, Federal power marketing agencies, cogeneration facilities, and exempt wholesale generators within the United States. In addition, IPC proposes to export electric energy from power plants that it owns only if that energy is surplus to the needs of its native-load customers.

IPC proposes to arrange for the delivery of electric energy to Mexico over the international transmission facilities owned by San Diego Gas & Electric Company, El Paso Electric Company, Central Power and Light Company, and Comision Federal de Electricidad, the national electric utility of Mexico. The construction of each of the international transmission facilities to be utilized by IPC, as more fully described in the application, has previously been authorized by a Presidential permit issued pursuant to Executive Order 10485, as amended.

Procedural Matters

Any person desiring to become a party to this proceeding or to be heard by filing comments or protests to this application should file a petition to intervene, comment or protest at the address provided above in accordance with §§ 385.211 or 385.214 of the FERC's Rules of Practice and Procedures (18 CFR 385.211, 385.214). Fifteen copies of each petition and protest should be filed with the DOE on or before the date listed above.

Comments on the IPC application to export electric energy to Mexico should be clearly marked with Docket EA–233. Additional copies are to be filed directly with James Thompson, Idaho Power Company, 1221 West Idaho Street, Boise, ID 83702 and Steven J. Ross, Steptoe & Johnson LLP, 1330 Connecticut Avenue NW., Washington, DC 20036.

A final decision will be made on this application after the environmental impacts have been evaluated pursuant to the National Environmental Policy Act of 1969 (NEPA), and a determination is made by the DOE that the proposed action will not adversely impact on the reliability of the U.S. electric power supply system.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above or by accessing the Fossil Energy Home Page at *http://www.fe.doe.gov.* Upon reaching the Fossil Energy Home page, select ''Regulatory Programs,'' then ''Electricity Regulation,'' and then ''Pending Proceedings'' from the options menus.

Issued in Washington, DC, on February 21, 2001.

Anthony J. Como,

Deputy Director, Electric Power Regulation, Office of Coal & Power Im/Ex, Office of Coal & Power Systems, Office of Fossil Energy.

[FR Doc. 01–4735 Filed 2–26–01; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

[FE Docket No. PP–68–2]

Application to Amend Presidential Permit San Diego Gas & Electric Company

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of Application.

SUMMARY: San Diego Gas & Electric Company (SDG&E) has applied to amend Presidential Permit PP–68 authorizing the construction, operation, maintenance, and connection of a 230-kV electric transmission line at the U.S. international border with Mexico.

DATES: Comments, protests, or requests to intervene must be submitted on or before March 29, 2001.

ADDRESSES: Comments, protests, or requests to intervene should be addressed as follows: Office of Coal & Power Import and Export (FE–27), Office of Fossil Energy, U.S. Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585–0350.

FOR FURTHER INFORMATION CONTACT: Ellen Russell (Program Office) 202–586–9624 or Michael T. Skinker (Program Attorney) 202–586–6667.

SUPPLEMENTARY INFORMATION: The construction, operation, maintenance, and connection of facilities at the international border of the United States for the transmission of electric energy between the United States and a foreign country is prohibited in the absence of

a Presidential permit issued pursuant to Executive Order 10485, as amended by Executive Order 12038.

On January 12, 1981, the Department of Energy (DOE), in Presidential Permit PP–68, authorized San Diego Gas & Electric Company (SDG&E) to construct, operate, maintain, and connect a 230,000-volt (230-kV) electric transmission line from its Miguel Substation, located approximately 10 miles north of the United States border with Mexico, to Tijuana, Mexico, where it interconnects with similar facilities at the Comision Federal de Electricidad's Tijuana Substation. SDG&E is a regulated public utility and a wholly-owned subsidiary of Sempra Energy. On November 8, 1982, in Docket PP–68–1, DOE amended Presidential permit PP–68 to permit SDG&E to add a second set of conductors to the towers authorized in the original Presidential permit.

On February 8, 2001, SDG&E filed an application with the Office of Fossil Energy (FE) of DOE to again amend the existing Presidential permit to authorize it to make certain changes to the existing transmission line to provide for the connection of the 510-megawatt (MW) Otay Mesa merchant powerplant being developed 1.5 miles north of the border. To interconnect the new powerplant to the existing PP–68 international transmission facilities, SDG&E proposes to construct a 5-acre switchyard within the fenced boundary of the powerplant and to construct approximately 0.1 miles of new 230kV transmission line to interconnect with the 230-kV Miguel-Tijuana transmission line.

SDG&E also proposes to reconductor that portion of the existing transmission line from the new 5-acre switchyard, north to the Miguel Substation, a distance of approximately 8.5 miles. SDG&E proposes to bundle each circuit by adding a second set of conductors to each phase (i.e., 12 total conductors versus 6 that currently exist). The 1.5 mile portion of SDG&E's Miguel-Tijuana international transmission line south of the Otay Mesa powerplant will remain unchanged.

Since the restructuring of the electric power industry began, resulting in the introduction of different types of competitive entities into the marketplace, DOE has consistently expressed its policy that cross-border trade in electric energy should be subject to the same principles of comparable open access and non-discrimination that apply to transmission in interstate commerce. DOE has stated that policy in export authorizations granted to entities requesting authority to export over international transmission facilities. Specifically, DOE expects transmitting utilities owning border facilities constructed pursuant to Presidential permits to provide access across the border in accordance with the principles of comparable open access and non-discrimination contained in the FPA and articulated in Federal Energy Regulatory Commission Order No. 888, as amended (Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities). In furtherance of this policy, DOE intends to condition any Presidential permit issued in this proceeding on compliance with these open access principles.

Procedural Matters

Any person desiring to become a party to this proceeding or to be heard by filing comments or protests to this application should file a petition to intervene, comment or protest at the address provided above in accordance with §§ 385.211 or 385.214 of the FERC's Rules of Practice and Procedures (18 CFR 385.211, 385.214). Fifteen copies of each petition and protest should be filed with the DOE on or before the date listed above.

Additional copies of such petitions to intervene or protests also should be filed directly with: James F. Walsh, Sempra Energy, 101 Ash Street, HQ11B, San Diego, CA 92124 and Pat Fleming, Sempra Energy, 101 Ash Street, HQ14A, San Diego, CA 92124.

Before a Presidential permit may be issued or amended, the DOE must determine that the proposed action will not adversely impact on the reliability of the U.S. electric power supply system. In addition, DOE must consider the environmental impacts of the proposed actions pursuant to the National Environmental Policy Act of 1969. DOE also must obtain the concurrence of the Secretary of State and the Secretary of Defense before taking final action on a Presidential permit application.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above. In addition, the application may be reviewed or downloaded from the Fossil Energy Home Page at: *http://www.fe.doe.gov.* Upon reaching the Fossil Energy Home page, select ''Electricity'' from the option's menu, and then ''Pending Proceedings.''

Issued in Washington, DC., on February 21, 2001.

Anthony J. Como,

Deputy Director, Electric Power Regulation, Office of Coal & Power Im/Ex, Office of Coal & Power Systems, Office of Fossil Energy.

[FR Doc. 01–4732 Filed 2–26–01; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Office of Nuclear Energy, Science and Technology; Small Modular Nuclear Power Units

AGENCY: Department of Energy (DOE).

ACTION: Notice of public interest.

SUMMARY: The United States Department of Energy plans to undertake a study to determine the feasibility of and issues associated with the deployment of small modular nuclear reactors for preparation of a report to Congress by May 2001. This report is being prepared as directed by the Senate Committee on Appropriations (S.R. Report no. 106–395, at 107(2000)) on the Energy and Water Development Appropriations Act, 2001 (Public Law 106–377). The Committee report specifically states the following:

> The committee is aware of recent improvements in reactor design that make feasible small modular reactors with attractive characteristics for remote communities that otherwise must rely on shipments of relatively expensive and sometimes environmentally undesirable fuels for their electric power. To be acceptable, such a reactor would have to be inherently safe, be relatively cost effective, have intrinsic design features which would deter sabotage or efforts to divert nuclear materials, have infrequent refuelings, and be largely factory constructed and deliverable to remote sites. The Committee recommendation provides $1,000,000 for the Department to undertake a study to determine the feasibility of and issues associated with the deployment of such small reactors and provide a report to Congress by May 2001.

This notice hereby announces the Department's interest in receiving information from the nuclear technology community on small modular power unit concepts that should be considered in the study. Such concepts must generally meet the criteria previously mentioned and may be entirely, or almost entirely, factory fabricated for transport to remote communities such as islands and should be no larger than 50 megawatts-electric (MWe).

DATES: Concept information must be submitted by 4:30 p.m., edt, March 15, 2001, to be accepted for review and to permit timely consideration for inclusion within the report.

ADDRESSES: All concept information should be forwarded to Argonne National Laboratory by U.S. Postal Service Express Mail or any commercial mail delivery service, or hand carried by the applicant to: Roald Wiegland, ''Small Modular Reactor Study,'' Argonne National Laboratory, 9700 South Cass Avenue, Building 208, Argonne, Illinois 60439–4842. Individuals who wish to submit concept information electronically should forward their information to *smr@anl.gov.*

FOR FURTHER INFORMATION CONTACT: Kenneth Chuck Wade, Nuclear Industry Analysis, NE–80, Office of Nuclear Energy, Science and Technology, U.S. Department of Energy, Germantown, Maryland 20874–1290, (301) 903–1031.

SUPPLEMENTARY INFORMATION: The Department of Energy is interested in receiving information on small modular nuclear power unit concepts that should be considered in a study to determine the feasibility of this technology. Concepts that will be considered in this study must generally meet the following criteria: inherent safety, relative cost effectiveness, intrinsic design features which would deter sabotage or efforts to divert nuclear materials; and infrequent refueling. These design concepts may be entirely, or almost entirely, factory fabricated for transport to remote communities such as islands and should be no larger than 50 megawatts-electric (MWe). All information in response to this request should include detailed plans in the following areas:

Licensing Prospects

Concept participants must identify any unique regulatory issues associated with siting and licensing small modular power units. The information on issues identified should include suggested modifications to existing Nuclear Regulatory Commission requirements, potential licensing barriers to be resolved, basis for safety analysis requirements, the need for reactor containment, and methods for implementing risk-based analysis techniques. These regulatory initiatives should be limited to reactor concepts that are useful in remote areas.

Concept Technology

Technical information should include an overall description of the concept and detailed information about major elements of the concept, including dimensions and capacity. Information on reactor fuel, fuel characteristics, fuel fabrication experience and irradiation history for the particular fuel type is desirable. Any novel features of the reactor concept, either for the reactor core or other components of the system, should be clearly identified, especially those related to safety and non-proliferation. Any relationship or similarity to other existing or planned reactors should also be stated. Features of the concept that would facilitate both factory fabrication and the ability to transport units to more remote areas should also be identified.

Economic Viability

The elements of cost and performance parameters that are desired for this study are: capital; operation and maintenance; fuel; decommissioning costs; thermal power; thermal efficiency; projected capacity factor; construction time; and financial parameters. Since design concept may still be in a preliminary stage, the Department would like for concept designers to submit any available information regarding the projected cost and performance values.

Each proposed design concept participant should address the issues mentioned above in as much detail as possible to enable fair and accurate statements regarding its prospects for future deployment. The Department recognizes that some of the information requested may not be readily available and will accept whatever information is available. Please note that proprietary information received in response to this notice will be kept confidential.

The report resulting from this study will not make any recommendation regarding a particular concept technology, but only assess the practicality of deploying small modular nuclear power units in remote locations within the U.S.

Issued in Washington, DC on February 16, 2001.

John M. Stamos,

Acting Associate Director for Nuclear Industry Analysis, NE–80, Office of Nuclear Energy, Science and Technology.

[FR Doc. 01–4733 Filed 2–26–01; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Energy Information Administration

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Energy Information Administration (EIA), Department of Energy (DOE).

ACTION: Agency information collection activities: Submission for OMB review; comment request.

SUMMARY: The EIA has submitted the energy information collections listed at the end of this notice to the Office of Management and Budget (OMB) for review and a three-year extension under section 3507(h)(1) of the Paperwork Reduction Act of 1995 (Public Law 104–13) (44 U.S.C. 3501 *et seq).*

DATES: Comments must be filed on or before March 29, 2001. If you anticipate that you will be submitting comments but find it difficult to do so within that period, you should contact the OMB Desk Officer for DOE listed below as soon as possible.

ADDRESSES: Send comments to the OMB Desk Officer for DOE, Office of Information and Regulatory Affairs, Office of Management and Budget, 726 Jackson Place NW., Washington, DC 20503. The OMB DOE Desk Officer may be telephoned at (202) 395–7318. (A copy of your comments should also be provided to EIA's Statistics and Methods Group at the address below.)

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Grace Sutherland, Statistics and Methods Group (EI–70), Forrestal Building, U.S. Department of Energy, Washington, DC 20585–0670. Ms. Sutherland may be contacted by telephone at (202) 287–1712, FAX at (202) 287–1705, or e-mail at *Grace.Sutherland@eia.doe.gov.*

SUPPLEMENTARY INFORMATION: This section contains the following information about the energy information collection submitted to OMB for review: (1) The collection numbers and title; (2) the sponsor (*i.e.,* the Department of Energy component); (3) the current OMB docket number (if applicable); (4) the type of request (*i.e,* new, revision, extension, or reinstatement); (5) response obligation (*i.e.,* mandatory, voluntary, or required to obtain or retain benefits); (6) a description of the need for and proposed use of the information; (7) a categorical description of the likely respondents; and (8) an estimate of the total annual reporting burden (*i.e.,* the estimated number of likely respondents times the proposed frequency of response per year times the average hours per response).

1. Forms EIA–886, ''Annual Survey of Alternative Fueled Vehicle Suppliers and Users.''
2. Energy Information Administration.
3. OMB Number 1905–0191.
4. Three-year extension with revisions of a currently approved collection.
5. Mandatory.
6. EIA's ''Annual Survey of Alternative Fueled Vehicle Suppliers

and Users'' collects basic data necessary to meet EIA's legislative mandates as well as the needs of EIA's public and private customers. Data collected include the number and type of Alternative Fueled Vehicles (AFVs) that vehicle suppliers made available in the previous calendar year and plan to make available in the following calendar year; the number, type and geographic distribution of AFVs in use in the previous calendar year; and the amount and distribution of each type of Alternative Transportation Fuel (ATF) consumed in the previous calendar year. The data are used for analyses and publications.

7. Federal, State and Local governments; fuel providers; Original Equipment Manufacturers; and Conversion facilities.

8. 10,323 hours (2,491 respondents × 1 response(s) per year × 4.1 hours per response).

Authority: Section 3507(h)(1) of the Paperwork Reduction Act of 1995 (Pub. L. No. 104–13)(44 U.S.C. 3501 *et seq*).

Issued in Washington, DC, February 20, 2001.

Jay H. Casselberry,

Agency Clearance Officer, Statistics and Methods Group, Energy Information Administration.

[FR Doc. 01–4734 Filed 2–26–01; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP01–88–000]

Bear Creek Storage Company; Notice of Application

February 21, 2001.

Take notice that on February 13, 2001, Bear Creek Storage Company (Bear Creek), P.O. Box 2563, Birmingham, Alabama 35202, filed a request with the Commission in Docket No. CP01–88–000 pursuant to section 7(c) of the Natural Gas Act (NGA) for authorization to expand the boundary of its Bear Creek Storage Field in Bienville Parish, Louisiana, all as more fully set forth in the application which is open to the public for inspection. This application may be viewed on the web at http://www.ferc.fed.us/online/rims.htm (call 202–208–2222 for assistance).

Bear Creek proposes to acquire an additional 1,146 acres of land adjacent to the Bear Creek Storage Field at an estimated price of $1,400,000. Bear Creek states that its acquisition of the additional acreage will not increase the storage capacity or the deliverability of the Bear Creek Storage Field, but would enable Bear Creek to acquire storage and mineral rights within the expanded boundary to protect the integrity of its certificated facility and the interstate natural gas stored therein. Bear Creek also states that it would purchase the additional acreage with funds on hand or with cash from operations.

Any person desiring to be heard or to make any protest with reference to said application should on or before March 14, 2001, file with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules. Any questions regarding the application should be directed to John C. Griffin, Assistant Secretary, Bear Creek Storage Company, P.O. Box 2563, Birmingham, Alabama 35202, telephone (205) 325–7133.

Comments and protests may be filed electronically via the internet in lieu of paper. See, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site at *http://www.ferc.fed.us/efi/doorbell.htm.*

A person obtaining intervenor status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by everyone of the intervenors. An intervenor can file for rehearing of any Commission order and can petition for court review of any such order. However, an intervenor must submit copies of comments or any filing it makes with the Commission to every other intervenor in the proceeding, as well as 14 copies with the Commission.

A person does not have to intervene, however, in order to have comments considered. A person, instead, may submit two copies of comments to the Secretary of the Commission. Commenters will be placed on the Commission's environmental mailing list, will receive copies of environmental documents and will be able to participate in meetings associated with the Commission's environmental review process. Commenters will not be required to serve copies of filed documents on all other parties. However, commenters will not receive copies of all documents filed by other parties or issued by the Commission and will not have the right to seek rehearing or appeal the Commission's final order at a federal court.

The Commission will consider all comments and concerns equally, whether filed by commenters or those requesting intervenor status.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the NGA and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this application if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that the proposal is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Bear Creek to appear or be represented at the hearing.

David P. Boergers,

Secretary.

[FR Doc. 01–4736 Filed 2–26–01; 8:45 am]

BILLING CODE 6717–01–M

ENVIRONMENTAL PROTECTION AGENCY

[OPP–00705; FRL–6772–7]

Tribal Pesticide Program Council (TPPC) General Meeting

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Tribal Pesticide Program Council (TPPC) will hold a 2–day meeting, beginning on March 8, 2001, and ending on March 9, 2001. This notice announces the location and times for the meeting and sets forth the tentative agenda topics.

DATES: The meeting will be held on March 8, 2001, from 9 a.m. to 5 p.m. and March 9, 2001, from 9 a.m. to 4:45 p.m.

ADDRESSES: The meeting will be held at the Embassy Suites Hotel - Crystal City (near the airport), 1300 Jefferson Davis Highway, Arlington, VA.

Comments may be submitted by mail, electronically, or in person. Please follow the detailed instructions for each method as provided in Unit I. of the **SUPPLEMENTARY INFORMATION.** To ensure proper receipt by EPA, it is imperative that you identify docket control number OPP–00705 in the subject line on the first page of your response.

FOR FURTHER INFORMATION CONTACT: Georgia A. McDuffie, Field and External Affairs Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460; telephone number: (703) 605–0195; fax number: (703) 308–1850; e-mail address: mcduffie.georgia@epa.gov or

Lillian Wilmore, TPPC Facilitator, P.O. Box 470829; Brookline Village, MA. 02447–0829; telephone number: (617) 232–5742 fax: (617) 277–1656; e-mail address: naecology@aol.com.

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this Action Apply to Me?

This action is directed to the public in general. This action may, however, be of interest to Tribes with pesticide programs or pesticide interests. Since other entities may also be interested, the Agency has not attempted to describe all the specific entities that may be affected by this action. If you have any questions regarding the applicability of this action to a particular entity, consult the person listed under **FOR FURTHER INFORMATION CONTACT.**

B. How Can I Get Additional Information, Including Copies of this Document and Other Related Documents?

1. *Electronically.* You may obtain electronic copies of this document, and certain other related documents that might be available electronically, from the EPA Internet Home Page at http://www.epa.gov/. To access this document, on the Home Page select ''Laws and Regulations,'' ''Regulations and Proposed Rules,'' and then look up the entry for this document under the ''Federal Register—Environmental Documents.'' You can also go directly to the Federal Register listings at http://www.epa.gov/fedrgstr/.

2. *In person.* The Agency has established an official record for this action under docket control number OPP–00705. The official record consists of the documents specifically referenced in this action, any public comments received during an applicable comment period, and other information related to this action, including any information claimed as Confidential Business Information (CBI). This official record includes the documents that are physically located in the docket, as well as the documents that are referenced in those documents. The public version of the official record does not include any information claimed as CBI. The public version of the official record, which includes printed, paper versions of any electronic comments submitted during an applicable comment period, is available for inspection in the Public Information and Records Integrity Branch (PIRIB), Rm. 119, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA, from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The PIRIB telephone number is (703) 305–5805.

C. How and to Whom Do I Submit Comments?

You may submit comments through the mail, in person, or electronically. To ensure proper receipt by EPA, it is imperative that you identify docket control number OPP–00705 in the subject line on the first page of your response.

1. *By mail.* Submit your comments to: Public Information and Records Integrity Branch (PIRIB), Information Resources and Services Division (7502C), Office of Pesticide Programs (OPP), Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460.

2. *In person or by courier.* Deliver your comments to: Public Information and Records Integrity Branch (PIRIB), Information Resources and Services Division (7502C), Office of Pesticide Programs (OPP), Environmental Protection Agency, Rm. 119, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA. The PIRIB is open from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The PIRIB telephone number is (703) 305-5805.

3. *Electronically.* You may submit your comments electronically by e-mail to: opp-docket@epa.gov, or you can submit a computer disk as described above. Do not submit any information electronically that you consider to be CBI. Avoid the use of special characters and any form of encryption. Electronic submissions will be accepted in WordPerfect 6.1/8.0 or ASCII file format. All comments in electronic form must be identified by docket control number OPP–00705. Electronic comments may also be filed online at many Federal Depository Libraries.

D. How Should I Handle CBI that I Want to Submit to the Agency?

Do not submit any information electronically that you consider to be CBI. You may claim information that you submit to EPA in response to this document as CBI 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. In addition to one complete version of the comment that includes any information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public version of the official record. Information not marked confidential will be included in the public version of the official record without prior notice. If you have any questions about CBI or the procedures for claiming CBI, please consult the person listed under **FOR FURTHER INFORMATION CONTACT.**

E. What Should I Consider as I Prepare My Comments for EPA?

You may find the following suggestions helpful for preparing your comments:

1. Explain your views as clearly as possible.
2. Describe any assumptions that you used.
3. Provide copies of any technical information and/or data you used that support your views.
4. If you estimate potential burden or costs, explain how you arrived at the estimate that you provide.
5. Provide specific examples to illustrate your concerns.
6. Offer alternative ways to improve the notice or collection activity.
7. Make sure to submit your comments by the deadline in this notice.
8. To ensure proper receipt by EPA, be sure to identify the docket control number assigned to this action in the subject line on the first page of your response. You may also provide the name, date, and **Federal Register** citation.

II. Agenda

This unit outlines the tentative agenda for the March 8-9 meeting.

Day 1—Thursday, March 8, 2001

Welcome and greetings
Invocation
General Session--Open to all participants
Introduction
Report from the Chairman--State of the Council
Reports from Working Groups

Reports from TPPC representatives to other meetings and groups

Presentation on the Tribal Science Council

Panel and Discussion on Tribal Authority and jurisdictional issues under FIFRA section 18

Presentation on the West Nile Virus

Presentation by Tribal Operations Committee and American Indian Environment Office

Presentation on pesticides and health effects

Tribal Caucus (Closed—Council members only)

Day 2—Friday, March 9, 2001

Welcome and Greetings

Invocation

General session--Open to all participants

Office of Enforcement and Compliance (OECA) presentation and discussion Federal Inspector credentials

Presentation on antimicrobials

Presentation on persistent bioaccumulative toxics

Fish consumption advisories and issues

Explanation of budget process and funding opportunities

Pesticide disposal presentation

Endangered species and ground water

Report and review on pesticide contamination of NAGPRA items

Presentation and discussion on Tribal Pesticide Program

Development and community education

Funding opportunities

Tribal coordinator

Enforcement

Circuit Rider Programs—Update

Report and review on pesticide contamination of NAGPRA items

List of Subjects

Environmental protection.

Dated: February 15, 2001.

Kennan Garvey,

Acting Division Director, Field and External Affairs Division, Office of Pesticide Programs.

[FR Doc. 01–4780 Filed 2–26–01 8:45 am]

BILLING CODE 6560–50–S

FEDERAL COMMUNICATIONS COMMISSION

Notice of Public Information Collection(s) Being Reviewed by the Federal Communications Commission

February 13, 2001.

SUMMARY: The Federal Communications Commission, as part of its continuing effort to reduce paperwork burden invites the general public and other Federal agencies to take this opportunity to comment on the following information collection(s), as required by the Paperwork Reduction Act of 1995, Public Law 104–13. An agency may not conduct or sponsor a collection of information unless it displays a currently valid control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the Paperwork Reducation Act (PRA) that does not display a valid control number. Comments are requested concerning (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimate; (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 the respondents, including the use of automated collection techniques or other forms of information technology.

DATES: Written comments should be submitted on or before March 29, 2001. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

ADDRESSES: Direct all comments to Judy Boley, Federal Communications Commission, Room 1–C804, 445 12th Street, SW., Washington, DC 20554 or via the Internet to jboley@fcc.gov.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collection(s), contact Judy Boley at 202–418–0214 or via the Internet at jboley@fcc.gov.

SUPPLEMENTARY INFORMATION:

OMB Control No.: 3060–0691.

Title: Amendment of Parts 2 and 90 of the Commission's Rules to Provide for the Use of 200 Channels Outside the Designated Filing Areas in the 896–901 MHz Bands Allotted to the Specialized Mobile Radio Pool, 2nd Order on Reconsideration, 7th Report and Order for the 900 Specialized Mobile Radio Service.

Form No.: N/A.

Type of Review: Revision of a currently approved collection.

Respondents: Individuals or households and business or other for-profit.

Number of Respondents: 135.

Estimated Time Per Response: .50 to 2 hours.

Frequency of Response: On occasion reporting requirements, and recordkeeping requirements.

Total Annual Burden: 274 hours.

Total Annual Cost: $55,200.

Needs and Uses: This revised information collection is used to verify construction requirements that will be used by the Commission to determine whether the license has met the 900 MHz MTA construction requirements. The information is filed on FCC Form 601 electronically.

OMB Control No.: 3060–0950.

Title: Extending Wireless Telecommunications Services to Tribal Lands; WT Docket No. 99–266.

Form No.: N/A.

Type of Review: Extension of a currently approved collection.

Respondents: Business or other for-profit institutions, and state, local or tribal government.

Number of Respondents: 3,844.

Estimated Time Per Response: 10–190 hours.

Frequency of Response: On occasion reporting requirements, and recordkeeping requirements.

Total Annual Burden: 768,800 hours.

Total Annual Cost: N/A.

Needs and Uses: A winning bidder seeking a bidding credit to serve a qualifying tribal land within a particular market must: indicate on the FCC Form 601 that it intends to serve a qualifying tribal land within that market; within 90 days after the filing deadline, amend its FCC Form 601 and attach a certification from the tribal government that: (a) The tribal government authorizes the winning bidder to site facilities and provide service on its tribal land; (b) the tribal area to be served by the winning bidder constitutes qualifying tribal land; and (c) the tribal government has not and will not enter into an exclusive contract with the applicant precluding entry by other carriers, and will not unreasonably discriminate among wireless carriers seeking to provide service on the qualifying land. The winning bidder must also meet additional requirements.

The information will be used to ensure that tribal communities within federally-recognized tribal areas have access to wireless telecommunications services equivalent to that of the nation.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 01–4730 Filed 2–26–01; 8:45 am]

BILLING CODE 6717–01–M

FEDERAL COMMUNICATIONS COMMISSION

Meeting Notice Correction

AGENCY: Federal Communications Commission.

ACTION: Notice of meeting correction.

SUMMARY: The Federal Communications Commission published a document in the **Federal Register** on January 26, 2001 announcing a meeting of the Network Reliability and Interoperability Council to be held on Tuesday, February 27, 2001 (See FCC Public Announcement DA 01–294). The document incorrectly specified that February 27 was a Wednesday.

FOR FURTHER INFORMATION CONTACT: Robert Kimball at 202–418–2339 or TTY 202–418–2989.

CORRECTION:

In the **Federal Register** of January 26, 2001 in FR document 01–2284, on page 7911, in the third column, correct the **DATES** caption to read:

DATES: Tuesday, February 27, 2001 at 2 p.m. to 4 p.m.

Federal Communications Commission.

Rebecca Dorch,

Deputy Chief, Office of Engineering and Technology.

[FR Doc. 01–4724 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–U

FEDERAL COMMUNICATIONS COMMISSION

[DA 01–443]

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: This document announces a public forum to be held by the International Bureau on March 14, 2001 regarding the entry of U.S. companies into telecommunications markets in foreign countries. The forum is open to the public and will be at the Federal Communications Commission Headquarters, 445 12th Street, SW., Washington, DC, in the Commission Meeting Room (Room TW–C305) from 10:30 am to 12 noon.

The information obtained during the forum will be used by the Bureau to supplement the 2000 version of the ''International Markets Report.'' The International Markets Report is prepared annually by the Bureau pursuant to a request from Senator Hollings and the staff of the U.S. Senate Committee on Commerce, Science and Transportation dating from 1997. The report details changes that have taken place over the past year for wireline telecommunications and satellite services. The Commission is making this announcement to provide an opportunity for the public to identify issues that should be addressed in an upcoming proceeding.

DATES: The public forum will be held on March 14, 2001, from 10:30 a.m. to 12 noon. Outlines of oral presentations and written presentations should be submitted no later than March 7, 2001.

ADDRESSES: Federal Communications Commission, 445 12th Street, SW., Room 6C–848, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: David Krech, International Bureau, (202) 418–7443.

SUPPLEMENTARY INFORMATION: Released February 16, 2001.

1. On March 14, 2001, from 10:30 am to 12 noon, the International Bureau will hold a public forum to provide an opportunity for the public to discuss issues relating to entry by U.S. companies into telecommunications markets in foreign countries. The forum is open to the public and will be at the Federal Communications Commission Headquarters, 445 12th Street, SW., Washington, DC, in the Commission Meeting Room (Room TW–C305).

2. The Bureau intends that this public forum will provide an opportunity for the public to share experiences regarding entry by U.S. companies into foreign telecommunications markets. The information gathered at this public forum will be used by the Bureau to supplement the 2000 version of the ''International Markets Report.'' The International Markets Report is prepared annually by the Bureau pursuant to a request from Senator Hollings and the staff of the U.S. Senate Committee on Commerce, Science and Transportation dating from 1997. The report details changes that have taken place over the past year for wireline telecommunications and satellite services. (The 1997–1998 and 1999 versions of the report are available on the FCC web-site at *http://www.fcc.gov/ib/wto/html.*)

3. The purpose of the forum is not to discuss the merits of any pending Commission proceedings and is not otherwise part of a pending Commission proceeding. As such, the forum is not subject to the Commission's *ex parte* rules. To the extent a participant discusses the merits of a pending proceeding, the *ex parte* rules will apply with respect to the particular discussion.

4. Any party wishing to make a formal presentation (no longer than 10 minutes) at the public forum should send an outline of the presentation to David Krech. Parties also are welcome to make written submissions in lieu of speaking at the forum. Outlines of oral presentations and written submissions should be sent to David Krech no later than March 7, 2001, either via fascimile to the Bureau's Telecommunications Division at (202) 418–2824, or by e-mail to *dkrech@fcc.gov.*

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 01–4726 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–U

FEDERAL COMMUNICATIONS COMMISSION

[Report No. 2466]

Petitions for Reconsideration of Action in Rulemaking Proceeding

February 20, 2001.

Petitions for Reconsideration have been filed in the Commission's rulemaking proceeding listed in this Public Notice and published pursuant to 47 CFR Section 1.429(e). The full text of these documents are available for viewing and copying in Room CY–A257, 445 12th Street, SW., Washington, DC or may be purchased from the Commission's copy contractor, ITS, Inc (202) 857–3800. Oppositions to these petitions must be filed by March 14, 2001. See Section 1.4(b)(1) of the Commission's rules (47 CFR 1.4(b)(1)). Replies to an opposition must be filed within 10 days after the time for filing oppositions has expired.

Subject: Promotion of Competitive Networks In Local Telecommunications Markets (WT Docket No. 99–217).

Wireless Communications Association International, Inc Petition for Rulemaking to Amend Section 1.4000 of the Commission's Rules to Preempt Restrictions on Subscriber Premises Reception or Transmission Antennas Designed To Provide Fixed Wireless Services.

Cellular Telecommunications Industry Association Petition for Rulemaking and Amendment of the Commission's Rules to Preempt State and Local Imposition of Discriminatory And/Or Excessive Taxes and Assessments.

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 (CC Docket No. 96–98).

Review of Sections 68.104, and 68.213 of the Commission's Rules Concerning Connection of Simple Inside Wiring to the Telephone Network (CC Docket No. 88–57).

Number of Petitions Filed: 10.

Subject: Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Mount Pleasant & Bogata, Texas) (MM Docket No. 00–54, RM–9835, RM–9907).

Number of Petitions Filed: 1.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 01–4722 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–M

FEDERAL COMMUNICATIONS COMMISSION

[DA 01–383]

Low Power Television Auction No. 81—Non-Mutually Exclusive Proposals—Mass Media Bureau Announces March 15, 2001, FCC Form 346 Application Deadline

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: This document identified those proposals filed during the limited low power television/television translator/Class A television auction filing window that are not mutually exclusive and announces a March 15, 2001, deadline for filing an FCC Form 346.

DATES: FCC Form 346 must be filed by each party identified in the Public Notice by March 15, 2001.

ADDRESSES: To submit by mail, applicants must send an original and two copies of the FCC Form 346 application to: Federal Communications Commission, Mass Media Services, P.O. Box 358185, Pittsburgh, Pennsylvania 15251–5190. To hand carry, in person or by courier, applicants must deliver an original and two copies of the FCC Form 346 application to: Mellon Bank, Three Mellon Bank Center, 525 William Penn Way, 27th Floor, Room 153–2713, Pittsburgh, Pennsylvania. Applicants should send a courtesy copy of each FCC Form 346 application to Hossein Hashemzadeh, Video Services Division, Mass Media Bureau, Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554. Applicants may also file their FCC Form 346 application electronically. Instructions for use of the electronic filing system are available in the CDBS User's Guide, which can be accessed from the electronic filing web site at: *http://www.fcc.gov/mmb.* For assistance with electronic filing, call the Mass Media Bureau Help Desk at (202) 418–2MMB.

FOR FURTHER INFORMATION CONTACT: Shaun Maher, Video Services Division, Mass Media Bureau at (202) 418–1600.

SUPPLEMENTARY INFORMATION: This is a summary of a Public Notice released February 13, 2001. It does not include the attachment. The complete text of the Public Notice, including attachment, is available for public inspection and copying during normal business hours in the FCC Reference Center (Room CY–A257), 445 12th Street, SW, Washington, DC. It may also be purchased from the Commission's copy contractor, International Transcription Services, Inc (ITS, Inc) 1231 20th Street, NW, Washington, DC 20035, (202) 857–3800. It is also available on the Commission's web site at *http://www.fcc.gov.*

In this Public Notice, the Mass Media Bureau identifies those proposals filed during the limited low power television, television translator, and Class A television auction filing window that are not mutually exclusive. Parties must now file FCC Form 346 by March 15, 2001, in order to implement their proposals.

Federal Communications Commission.

Roy J. Stewart,

Chief, Mass Media Bureau.

[FR Doc. 01–4723 Filed 2–26–01; 8:45 am]

BILLING CODE 6712–01–U

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States. Additional information on all bank holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than March 23, 2001.

A. Federal Reserve Bank of Atlanta (Cynthia C. Goodwin, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303–2713:

1. Southern Community Bancorp, Orlando, Florida; to merge with Peninsula Bancorp, Inc, Daytona Beach, Florida, and thereby indirectly acquire voting shares of Peninsula Bank of Central Florida, Daytona Beach, Florida.

B. Federal Reserve Bank of Dallas (W. Arthur Tribble, Vice President) 2200 North Pearl Street, Dallas, Texas 75201–2272:

1. Texas Financial Bancorporation, Minneapolis, Minnesota, and Delaware Financial, Inc, Wilmington, Delaware; to acquire 100 percent of the voting shares of First National Bank of Texas, Decatur, Texas.

Board of Governors of the Federal Reserve System, February 21, 2001.

Robert deV. Frierson

Associate Secretary of the Board.

[FR Doc. 01–4715 Filed 2–26–01; 8:45 am]

BILLING CODE 6210–01–S

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. Additional information on all bank holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

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 March 13, 2001.

A. Federal Reserve Bank of Chicago (Phillip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690–1414:

1. Bank One Corporation, Chicago, Illinois; to engage *de novo* in expanding its community development activities and to expand to not more than 9.9 percent of its total consolidated capital stock and surplus, its investments in previously approved permissible nonbanking activities of its subsidiaries, which consist of promoting community welfare by i) arranging, investing in and making loans to entities for the financing of low-income housing eligible for Federal income tax credits under Section 42 of the Internal Revenue Code (Section 42 Housing Projects) and providing advice to customers in connection with the arranging and financing of entities engaged in Section 42 Housing Projects; ii) advising, arranging, investing in and making loans to community development corporations or directly to others to finance projects that promote community welfare or development; and iii) providing financial and technical advice and training to customers developing, owning, or managing Section 42 Housing Projects or other projects that promote community welfare or development and thereby engage in the nonbanking activity of community development activities, pursuant to §§ 225.28(b)(12)(i) and (ii) of Regulation Y.

Board of Governors of the Federal Reserve System, February 21, 2001.

Robert deV. Frierson

Associate Secretary of the Board.

[FR Doc. 01–4714 Filed 2–26–01; 8:45 am]

BILLING CODE 6210–01–S

FEDERAL RESERVE SYSTEM

Consumer Advisory Council; Notice of Meeting of Consumer Advisory Council

The Consumer Advisory Council will meet on Thursday, March 22, 2001. The meeting, which will be open to public observation, will take place at the Federal Reserve Board's offices in Washington, DC, in Dining Room E of the Martin Building (Terrace level). The meeting will begin at 8:45 a.m. and is expected to conclude at 1:00 p.m. The Martin Building is located on C Street, Northwest, between 20th and 21st Streets.

The Council's function is to advise the Board on the exercise of the Board's responsibilities under the Consumer Credit Protection Act and on other matters on which the Board seeks its advice. Time permitting, the Council will discuss the following topics:

Truth in Lending Act—Discussion of proposed amendments to Regulation Z concerning the Home Ownership and Equity Protection Act.

Home Mortgage Disclosure Act—Discussion of the proposed changes to Regulation C which implements the Home Mortgage Disclosure Act.

Community Reinvestment Act—Discussion of suggested topics to be included in the 2002 review of Regulation BB which implements the Community Reinvestment Act.

Committee Reports—Council committees will report on their work.

Other matters previously considered by the Council or initiated by Council members also may be discussed.

Persons wishing to submit views to the Council regarding any of the above topics may do so by sending written statements to Ann Bistay, Secretary of the Consumer Advisory Council, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551. Information about this meeting may be obtained from Ms. Bistay, 202–452–6470.

Board of Governors of the Federal Reserve System, February 21, 2001.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 01–4716 Filed 2–26–01; 8:45 am]

BILLING CODE 6210–01–U

FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 11 a.m., Monday, March 5, 2001.

PLACE: Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, NW., Washington, DC 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
2. 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.federalreserve.gov for an electronic announcement that not only lists applications, but also indicates procedural and other information about the meeting.

Dated: February 23, 2001.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 01–4905 Filed 2–23–01; 4:09 pm]

BILLING CODE 6210–01–P

FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Submission for OMB Review; Comment Request

AGENCY: Federal Trade Commission (FTC).

ACTION: Notice.

SUMMARY: The FTC has submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act (PRA) information collection requests contained in its study investigating how generic drug competition has developed in light of certain provisions in the Hatch-Waxman Act (the Act) that govern entry of generic drug products. The FTC proposes to seek information from members of the pharmaceutical industry. To do this, the FTC first seeks OMB clearance and additional public comment regarding this notice, which is the second of two notices required by the PRA for information collection requests.

DATES: Comments on the proposed information requests must be submitted on or before March 30, 2001.

ADDRESSES: Send comments regarding the information collection requests to the following addresses: Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, DC 20503 ATTN: Desk Officer for the Federal Trade Commission; and to Secretary, Federal Trade Commission, Room H–159, 600 Pennsylvania Avenue, NW., Washington, DC 20580 or by e-mail to genericdrugstudy@ftc.gov. The submissions should include the submitter's name, address, telephone number, and, if available, FAX number and e-mail address. All submissions should be captioned ''Generic Drug Study—FTC File No. V000014.''

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be addressed to Michael S. Wroblewski, Advocacy Coordinator, Policy Planning, Federal Trade Commission, 600 Pennsylvania Avenue, NW., Washington, DC 20580. Telephone: (202) 326–2155, E-mail: mwroblewski@ftc.gov.

SUPPLEMENTARY INFORMATION: On October 17, 2000, the FTC sought public comments on information collection requests for a proposed study on the development of generic drug competition. *See* 65 FR 61334.

The FTC received 11 comments on the proposed information collection requests.[1] Eight of the comments (BCBSA, GM, HIAA, Keats, Microbix, NACDS, Pharmacy Defense, and RxHealth) endorsed the proposed study, indicating, for example, that the ''proposed requests for information are necessary to the FTC's function as the primary governmental agency charged with protecting consumers from anticompetitive practices.'' HIAA Comment at 1. Four of the commenters endorsing the study (GM, Keats, NACDS, and Pharmacy Fund) also suggested that the Commission broaden its proposed study to include investigation of various practices of pharmaceutical companies that may have an effect on generic drug competition.

No generic drug company opposed the Commission's proposed study or questioned its practical use, but Geneva recommended that the Commission narrow the proposed study ''in ways that should not compromise the Commission's objectives.'' Geneva Comment at 1.

PhRMA and CRE asserted that the Commission had not yet complied with the requirements of the PRA; PhRMA also included suggestions for narrowing the study if undertaken.

The proposed study will enable the Commission to provide a more complete picture of how generic competition has developed under the Hatch-Waxman Act.[2] The FTC already has taken enforcement action against alleged anticompetitive agreements whose operation depended in part on certain Hatch-Waxman provisions. The study will shed light on matters such as whether the agreements the FTC has found are isolated instances or more typical, and whether particular provisions of the Act have operated appropriately to balance the legitimate interests of pharmaceutical companies in protection of their intellectual property and the legitimate interests of generic companies in providing competition, or have instead unintentionally invited anticompetitive strategies that delay or deter market entry by generic drugs.

In light of the agreements already challenged by the FTC, and given enormous potential costs to consumers from anticompetitive activities, Representative Waxman, one of the co-authors of the Act, requested that the FTC ''investigate and produce a study on the use of agreements between and among pharmaceutical companies and potential generic competitors and any other strategies that may delay generic drug competition throughout the U.S.'' In addition, other members of Congress, such as Senators McCain and Schumer, proposed legislation in the last Congress to amend various portions of the Act, including the sections that the Commission's study would address.[3] Thus, a study based on information of the type the Commission proposes to collect will respond to Representative Waxman's request and also be relevant to consideration of various legislative proposals.

Over the next five years, brand name drugs with combined U.S. sales approaching $20 billion will go off patent.[4] This will provide an enormous opportunity for the generic industry and, conceivably, a commensurate obstacle to the brand-name pharmaceutical industry. Pharmaceutical drug manufacturers seeking to protect the sales of branded drugs may have an incentive and ability to enter into agreements with would-be generic competitors, or engage in other types of activities, that would slow or thwart the entry of competing generic drug products.

The study will be tailored for each individual innovator and generic company so that only agreements relating to certain specified drug products will be subject to the request. The Commission anticipates that approximately 70 percent of both innovator companies and generic companies will be requested to provide information on no more than three drug products.

As discussed below, the Commission incorporates several of the suggestions to narrow the study to reduce burden and to avoid collecting documents that the Commission did not intend to collect. However, other proposals to narrow the proposed study would unnecessarily limit the study's usefulness. Likewise, the Commission has not followed the suggestions to broaden the proposed study to investigate the pricing and distribution practices of pharmaceutical companies, because the magnitude of such an investigation is beyond the proposed study's scope and the resources available to complete it in a timely manner. The discussion of issues raised by the comments is organized into four sections: (1) The practical utility of the proposed study and why it is necessary for the proper performance of the FTC's functions; (2) suggestions to narrow the focus of the study; (3) suggestions to broaden the focus of the study; and (4) other aspects of how the information collection request complies with the PRA.

[1] BlueCross BlueShield Association (BCBSA) (federation of independent Blue Cross and Blue Shield health insurance plans), The Center for Regulatory Effectiveness (CRE) (self-described independent organization to provide Congress with analyses of agency regulations), Geneva Pharmaceuticals (Geneva) (generic drug manufacturer), General Motors Corporation (GM) (automaker), Health Insurance Association of America (HIAA) (trade association representing the private health care system), George Keats (Keats) (private citizen), Microbix Biosystems, Inc (Microbix) (pharmaceutical company), National Association of Chain Drug Stores (NACDS) (trade association representing chain drug stores), Pharmaceutical Research and Manufacters of America (PhRMA) (trade association representing research-based pharmaceutical and biotechnology companies), Pharmacy Defense Fund (Pharmacy Fund) (advocacy organization on behalf of pharmacists), and RxHealth Value (RxHealth) (a coalition representing consumers, labor unions, provider organizations, health plans and insurers, business health groups, large employers, and pharmacy benefit management organizations).

[2] The proposed study is consistent with the FTC's statutory authority to ''gather and compile information concerning, and to investigate from time to time the organization, business, conduct, practices, and management of any person, partnership, or corporation engaged in or whose business affects commerce, excepting banks, savings and loan institutions * * *, Federal credit unions * * *, and common carriers * * *.'' FTC Act section 6(a), 15 U.S.C. 46(a).

[3] S. 3051, 106th Cong. (2000).

[4] National Institute for Health Care Management, ''Prescription Drugs and Intellectual Property Protection'' (August 2000) at 3.

1. Practical Utility of the Proposed Study and its Necessity for the Proper Performance of the FTC's Functions

The Commission has proposed to obtain factual information that would provide a more complete picture of how generic competition is developing in light of certain provisions of the Act that govern entry of generic drug products.[5]

Comments: Most comments stated that the proposed study will have practical utility. *See, e.g.*, GM Comment at 1; HIAA Comment at 1; and NACDS Comment at 1. CRE and PhRMA, however, asserted that the proposed study will have no practical utility and that the Commission has not articulated how the information collected would be used to meet the Commission's stated goals. CRE Comment at 4–7; PhRMA Comment at 1–3, 5. In particular, CRE stated that significant portions of FDA's implementing regulations for relevant sections of the Act were invalidated by a series of court decisions to which FDA has responded by issuing interim rules and initiating a rulemaking to develop new governing regulations that have not yet issued. CRE further explained that an FTC staff comment in that FDA rulemaking proceeding states ''that such [proposed] revisions may well assuage FTC concerns.'' Accordingly, CRE asserted that the information the FTC proposes to collect has no practical utility at this time and that the FTC should wait until FDA issues final regulations before determining whether to undertake the proposed study. CRE Comment at 7. Likewise, PhRMA asserted that the proposed study is not necessary because: (1) The FTC's past law enforcement actions regarding agreements entered into between innovator and generic companies ''have already sent a strong message to the industry of the FTC's concerns'' and private litigation stimulated by the FTC's investigations has further reinforced its message; (2) the FTC staff has indicated in a comment to FDA that FDA's proposed revisions ''may remedy the delayed generic competition that has resulted from certain types of agreements between generic and innovator companies'' and that the proposed study is unlikely to add new insight; and (3) the FTC is likely to become aware of agreements between innovator and generic companies because these agreements are usually publicized given that they often exert a substantial impact on the participants' businesses, and thus the study is unlikely to uncover new agreements of concern. PhRMA Comment at 2.

Response: The purpose of the proposed study is to examine the extent to which the 180-day marketing exclusivity and 30-month stay provisions of the Act have encouraged generic competition or facilitated the use of anticompetitive strategies. The information requested concerns the use of agreements between innovator and generic drug companies relating to these two provisions, the business reasons for entering these agreements, and other data regarding how innovator and generic drug companies have operated in light of the 180-day marketing exclusivity and 30-month stay provisions of the Act. For example, the Commission anticipates that the study will analyze matters such as how often the 180-day marketing exclusivity provision has been used, how it has been triggered (by commercial marketing or court orders), the frequency with which innovator companies initiate patent litigation, and the frequency with which patent litigation has been settled or litigated to a final court decision. In addition, the study will provide factual evidence regarding innovator companies' patent listings in the Orange Book, and how frequently challenges are made to patent listings for drug products as to which generic companies have filed ANDAs containing a paragraph IV certification under the Hatch-Waxman Act. Finally, the information relating to company sales will provide evidence of whether the magnitude of revenues associated with particular products correlates with possible strategies relevant to the 180-day marketing exclusivity and the 30-month stay provisions.[6]

HIAA suggested that ''the information the FTC proposes to collect will have significant practical utility in determining whether drug manufacturers are engaging in practices that impede generic competition and the extent to which consumers are harmed by such behavior.'' HIAA Comment at 1. RxHealth suggested that ''there is ample evidence of use of Hatch-Waxman by branded manufacturers to prevent or delay timely entrance of generic competitors to the market.'' RxHealth Comment at 1. Pharmacy Fund strongly supported the proposed study ''for it portends an opportunity for the major drug innovators, the generic industry, and consumers to better understand and explain behaviors that are now seen as murky or unfair.'' Pharmacy Fund Comment at 1. The NACDS stated that the ''document collection is necessary because the practices are anticompetitive.'' NACDS Comment at 1. And ''GM believes that the FTC can and should examine the practices and agreements that extend monopoly positions and restrict trade to determine whether there has been any violation of the antitrust laws.'' GM Comment at 1. As BCBSA noted in its comment, the study has additional utility in light of the top-selling brand name drugs (e.g., Claritin, Pravachol, Prilosec, Prozac, Vasotec, and Zocor) that will go off patent over the next five years. BCBSA Comment at 1.

GM and BCBSA both described the increasing costs of prescription drugs and the importance of generic drug competition to reduce total health care expenses without adversely affecting the level of care provided. For example, GM stated that its total drug expenditure for calendar year 2000 will exceed $1.2 billion and that brand-name drugs account for 90 percent of its total drug spending, although its current utilization rate for generic drugs is 37 percent. Moreover, for each one percent increase in the use of generic drugs, GM can save $3 million per year. *Id.* at 2.

The need for the study has been highlighted by the FTC's investigations into several cases in which manufacturers of pharmaceutical drug products and generic competitors have allegedly entered into anticompetitive agreements to delay generic entry.[7] In

[5] The Hatch-Waxman Act provides a method by which generic drug manufacturers can obtain approval of a generic version of a branded product through an Abbreviated New Drug Application (ANDA) submitted to the Food and Drug Administration (FDA). A generic drug manufacturer must certify that the patents listed in the FDA's ''Orange Book'' that claim the approved drug product are invalid or will not be infringed by the generic drug for which the ANDA applicant seeks approval (''a paragraph IV certification''). The Act provides a 45-day window during which the patent holder may bring a patent infringement suit against the ANDA applicant. If a patent suit is initiated during this period, the Act forbids the FDA from approving the ANDA for the earlier of 30 months or until the completion of the litigation (''30-month stay period''). If any other generic companies file an ANDA containing a paragraph IV certification (''later-filed ANDAs''), the Act provides that the FDA cannot approve such ANDA until 180 days (''the 180-day marketing exclusivity period'') after the earlier of (1) the date of the first commercial marketing of the first applicant's generic drug, or (2) the date of a decision of a court in an action holding the branded company's patent(s) is (are) invalid or not infringed.

[6] The documents and information collected also may provide a basis for initiating a law enforcement investigation, but the Commission will not exercise its enforcement authority solely on the basis of information provided by the companies in response to the proposed information collection request. Rather, it would do so only after gathering additional information from a company and/or other sources apart from the study. The Commission would evaluate whether the evidence examined indicates unfair methods of competition. *See* FTC Act section 5, 15 U.S.C. 45.

[7] *See, e.g., In the Matter of Abbott Laboratories*, Docket No. C–3945 (2000); *In the Matter of Geneva Pharmaceuticals*, C–3946 (2000); *In the Matter of Hoechst Marion Roussel, Inc et. al.*, Docket No. 9293, Administrative Complaint (Mar. 16, 2000).

these cases, innovator manufacturers and generic competitors were alleged to have agreed to delay generic competition, in part through manipulation of opportunities created by these two provisions of the Act. The proposed study will help determine whether these agreements are isolated incidents or indicative of a pattern in the industry.

The proposed study falls squarely within the FTC's fact-finding authority under section 6 of the Federal Trade Commission Act. *See* 15 U.S.C. 46(a). The Commission's power to investigate and report on marketplace developments is part of the FTC's original mandate and has been the basis for important studies in the past.[8] In the pharmaceutical area, the Commission has used its section 6 authority to investigate the issue of advertising and promotion of prescription drugs.[9]

The FDA's current rulemaking proceeding to revise the regulations implementing the Act does not undermine the FTC's proposed study. The proposed study seeks to examine whether the 180-day marketing exclusivity and 30-month stay provisions of the Act have encouraged generic competition or facilitated the use of anticompetitive strategies.[10] The FDA's implementing regulations, regardless of when they are issued, cannot change the Act's statutory language, and it is the effect of these statutory provisions on generic competition that is the focus of the proposed study. Moreover, FDA's final regulations will be prospective in effect, and FDA has provided no indication as to when they will be completed.[11] In June 1998, the FDA published industry guidance on FDA's current approach to the 180-day marketing exclusivity issue,[12] and it published an interim rule and ''has regulated directly from the statute when making exclusivity decisions on a case-by-case basis.'' [13] In addition, the information collected also will likely shed light on whether FDA's proposed regulations are sufficient to remedy any delayed generic competition that results from certain types of agreements.[14]

Contrary to PhRMA's suggestion, it is unlikely that the Commission would be able to uncover all potentially anticompetitive agreements without undertaking the proposed study. *See* NACDS Comment at 2 (''The existence of an anticompetitive agreement is rarely if ever publicized by the manufacturers.''). The Commission's enforcement experience in this area is that, although it has public notice of an agreement's existence (*e.g.*, notice of a court settlement), the Commission cannot learn of the specific terms of an agreement until it opens an investigation of the matter.

2. Suggestions to Narrow the Focus of the Proposed Study

The discussion of this section is separated into three subsections below. Subsection (a) discusses the suggestions to revise the language of Request 1 for both innovator and generic companies. Request 1 seeks agreements relating to ANDAs and documents supporting the reasons for entering into these agreements. Subsection (b) discusses suggestions to revise the three remaining questions, which are asked of only innovator companies (Requests 2–4 for innovator companies), and subsection (c) discusses suggestions for changes to the remaining four questions for generic companies (Requests 2–5 for generic companies).

a. Information Request for Innovator and Generic Companies To Submit Agreements and Supporting Documents

Current Request: Request 1 for both innovator and generic companies requires them to produce all agreements entered into since January 1, 1991 between the company and any other person relating to an ANDA for drug products specified for each respondent company.[15] The request lists as examples of such agreements: (a) Patent litigation settlements (full or partial); (b) agreements related to the filing (or non-filing) of an ANDA by any applicant (or potential applicant); (c) licensing agreements between the company and persons that have filed an ANDA; and (d) agreements related to any acquisition, divestiture, joint venture, alliance, license or merger by the company of any business involving the research, development, manufacture or sale of any drug product that is the subject of an ANDA. The company is not required to submit purchase orders for base active materials, equipment and facility contracts, and employment contracts. The second part of the request requires the companies to produce any documents prepared by or for any officer or director of the company that would provide reasons for why the agreement was executed.

Comments on Date Range: Geneva suggested that the Commission modify the cutoff date to January 1, 1995, except for still-active agreements between innovator and generic companies that prohibit the generic company from launching a generic version of the innovator's patented product in return for consideration.

Response: We agree with Geneva's suggestion to modify the date range of agreements studied and will request only agreements executed after December 31, 1994. We also agree to implement a modified version of the backstop that Geneva suggested and request that still-active agreements entered into before such date be produced. This change will reduce the burden on the responding companies by reducing the time period for which they must produce agreements by four years (1991 through 1994), while still enabling the Commission to provide a more complete picture of how generic drug competition has developed.

[8] For example, a study of the radio broadcasting industry influenced passage of the Radio Act of 1927 (a predecessor to the Communications Act of 1934), while the FTC's disclosure of securities issue abuses played a role in heightening Congress' recognition of the need for securities industry regulation and led to the Securities Act of 1933. *See also FTC* v. *Rockefeller*, 591 F.2d 182 (2d Cir. 1979); *FTC Line of Business Report Litigation*, 595 F.2d 685 (D.C. Cir.), *cert. denied*, 439 U.S. 958 (1978).

[9] Federal Trade Commission, Bureau of Economics, *Sales, Promotion, and Product Differentiation in Two Prescription Drug Markets* (1977). And, more recently, the Commission continues to use its Section 6 authority to examine cigarette labeling issues. Federal Trade Commission Report to Congress for 1998 Pursuant to the Federal Cigarette Labeling and Advertising Act (2000) *http://www.ftc.gov/os/2000/06/index.htm#27.*

[10] The benefits of generic drug competition for consumers have been examined extensively. *See, e.g.*, Staff Report, Bureau of Economics of the Federal Trade Commission, *The Pharmaceutical Industry: A Discussion of Competitive and Antitrust Issues in an Environment of Change* (Mar. 1999) at 18; Congressional Budget office, ''How Increased Competition from Generic Drugs Has Affected Prices and Returns in the Pharmaceutical Industry'' (CBO study) (July 1998).

[11] PhRMA has argued that FDA's proposal, which the FTC staff suggested may address several of FDA's concerns about delayed generic competition, is neither authorized by the Act nor consistent with the policy objective of the 180-day marketing exclusivity provision. *See* Comments of PhRMA, In re 180-Day Generic Drug exclusivity for Abbreviated New Drug Applications, 64 Fed. Reg. 42873, Docket No. 85N–0214 (Aug. 6, 1999) at 5–6. If the FDA were to adopt its proposed regulations, they could be challenged in court, with a possible delay in their implementation.

[12] FDA, *Guidance for Industry, 180-Day Generic Drug Exclusivity Under the Hatch-Waxman Amendments to the Federal Food, Drug, and Cosmetic Act* (June 1998).

[13] FDA, *180-Day Generic Drug Exclusivity for Abbreviated New Drug Applications*, 64 Fed. Reg. 42873 at 42874 (Aug. 6, 1999).

[14] The FDA recently revised its interpretation of the conduct sufficient to constitute ''commercial marketing'' that triggers the 180-day marketing exclusivity right. *See* Letter of Janet Woodcock, Director, FDA Center for Drug Evaluation and Research, to Deborah A. Jaskot, Docket No. 00P–1446/CP1 (Feb. 6, 2001). This action reflects FDA's concern that the 180-day marketing exclusivity right not be used to impede generic competition.

[15] The Commission has entered into an agreement with FDA to receive information about the filing of ANDAs containing paragraph IV certifications by specific product. This information will allow the Commission to tailor each company's request to specific drug products.

Comments on Scope of Agreements Collected: PhRMA recommended that, if the proposed study is undertaken, the Commission collect only ''agreements between an innovator and a person that has filed an ANDA or may file an ANDA and in which the ANDA filer or potential ANDA filer commits to refrain from or delay its ANDA filing or the commercial marketing of a generic product in return for consideration from the innovator.'' PhRMA Comment at 5. In addition, PhRMA stated its views that the information collection request appears to cover three types of agreements that could not have been intended to delay the introduction of a competing generic product: (1) Licensing agreements and other agreements between innovators and generic manufacturers that relate to already marketed generic drug products; (2) agreements entered into before the innovator became aware that the generic manufacturer had filed or intended to file an ANDA; and (3) merger, acquisition, and licensing agreements between two innovator companies if one of them manufactures a drug product that is the subject of an ANDA. PhRMA Comment at 4. Geneva also provided examples of agreements that would be included in the Commission's information request but are not within the Commission's perceived concern. To remedy this concern, ''Geneva suggests that the request be limited to agreements with innovator companies relating to ANDAs, where the innovator company holds the NDA [new drug application underlying the branded drug product] corresponding to the ANDA that is subject of the agreement.'' Geneva Comment at 2. Geneva also suggested that the Commission clarify that it will not seek any agreements or documents that the Commission may already have as a result of any law enforcement matter.

Response: PhRMA has suggested that the Commission request only agreements whose terms mirror the terms in the agreement that Commission alleged to be anticompetitive in its enforcement action against Abbott and Geneva.[16] If the Commission were to accept PhRMA's suggestion to limit its investigation to agreements with those specific terms, it would lessen the practical utility of the proposed study. One objective of the proposed study is to determine whether innovator companies and generic drug companies have entered into various types of agreements that have affected the development of generic drug competition. The request, as currently drafted, may uncover other, somewhat different examples of agreements that have affected the development of generic competition, but that do not contain the terms specified by PhRMA. As NACDS explained in its comment, the ''FTC needs to collect relevant documents to discover new examples of [possibly anticompetitive agreements].'' NACDS Comment at 2.

On the other hand, the Commission's experience also has suggested that there may be circumstances where agreements between innovator and generic drug companies are procompetitive. The request, as currently drafted, may uncover such agreements as well. These agreements also are likely to assist the Commission's investigation of how generic competition has developed in light of the Act. Thus, the proposed study may identify procompetitive rationales in support of other agreements that have somewhat different terms, thereby illuminating benign reasons for conduct that some currently see as ''murky or unfair.'' Pharmacy Fund Comment at 1.

To limit the study as PhRMA suggested would severely limit the Commission's ability to examine the use of agreements in this industry. One question is whether anticompetitive agreements of the type challenged by the FTC are isolated instances or examples of typical practices. By asking for a range of agreements over a six-year period, the Commission believes it will be able to provide a more complete picture of agreements related to generic drug competition and Hatch-Waxman Act provisions. The much more limited request that PhRMA proposed would likely yield, at best, only anecdotal evidence of how certain types of agreements between innovator and generic companies affect generic drug competition.

The Commission agrees, nevertheless, with Geneva's and PhRMA's assertion that the language specifying the agreements to be produced can be narrowed in certain respects without compromising the Commission's objectives. The Commission does not intend the request to cover agreements not likely to further the study's objectives. Accordingly, the language of Request 1 for both innovator and generic companies has been modified to make each request symmetrical and more narrowly focused. The Commission has incorporated PhRMA's suggestion to exclude agreements entered into between innovator companies and generic manufacturers that relate to already marketed generic drug products. In addition, it has incorporated PhRMA's and Geneva's suggestions concerning duplication, to exclude from the request documents that have been submitted previously to the Commission pursuant to the Premerger Notification Rules (16 CFR parts 801–803 (2000)) and section 7A of the Clayton Act (15 U.S.C. 18a) or sections 6, 9, 13, and 20 of the Federal Trade Commission Act (15 U.S.C. 46, 49, 53, and 57b-1), although responding companies will be required to identify any such documents.

PhRMA's suggestion to exclude agreements entered into before the innovator became aware that the generic manufacturer had filed or intended to file an ANDA creates uncertainty as to how companies would respond to the request. Agency experience suggests it would be difficult to provide objective guidance to define when an innovator company ''became aware'' that a generic company intended to file an ANDA. Accordingly, and in light of the Commission's actions to narrow the request in other significant respects, the Commission declines to implement this suggestion.

In addition, the Commission has not followed Geneva's suggestion to exclude licensing arrangements or co-development agreements between generic manufacturers. The Commission's law enforcement investigations indicate that agreements between generic companies also may affect the degree of generic competition that emerges. To exclude such agreements could eliminate a substantial number of agreements and documents that may help provide a more complete picture of whether agreements among generic companies may have delayed the consumer benefits of full generic competition.

Comments on Documents Containing Reasons for Executing Agreements: PhRMA further suggested that the second half of Request 1, which requires documents relating to the reasons for making the identified agreements, is ''extremely ambiguous'' and fraught with potential technical difficulties as to which documents a company would be required to produce.

Response: The additional documents called for in the second half of Request 1 include only those important enough to be prepared for or by an officer or director of the company and that evaluate or analyze the company's reasons for entering into agreements identified in response to Request 1. These documents will help ensure that the Commission has a full picture of the reasons for the agreements, including procompetitive reasons. This language

[16] *See In the Matter of Abbott Laboratories,* Docket No. C–3945 (2000); *In the Matter of Geneva Pharmaceuticals,* C–3946 (2000).

is routinely used to request documents in connection with premerger notification filings pursuant to the Premerger Notification Rules (16 CFR Parts 801–803 (2000)) and section 7A of the Clayton Act (15 U.S.C. 18a). Responding companies generally recognize and understand the language. Limiting the pre-merger request to documents prepared by or for an officer or director of a company usually results in the production of a small number of documents (in most cases fewer than five).

The revised text of Request 1 for both innovator and generic companies (as well as the remaining Requests) is listed following the discussion of all of the comments. The Commission also has made minor changes to the Requests to clarify the language of each Request as applicable.

b. Remaining Information Requests for Innovator Companies:

The Commission has proposed three additional information collection requests of innovator companies. Request 2 requires a company to produce information about patents listed in the Orange Book for specified drug products. Request 3 requires a company to produce information about litigation to which it is a party and that relates to an ANDA containing a paragraph IV certification. Request 4 requires a company to produce sales data regarding each specified drug product.

Comments: PhRMA has suggested that the information sought by Requests 2 through 4 is freely available to the FTC, at least once the agency receives any agreements called for by Request 1. In addition, it suggested that these requests are ''both unnecessary and ambiguous.'' Accordingly, it suggested that the FTC use a two-stage process—first, collect agreements, and then, if necessary, collect additional information—to proceed with the proposed study.

Response: For the Commission to use a two-stage process, as PhRMA suggested, to collect the documents and information sought by Requests 2 through 4 (*i.e.,* patent listings in the Orange Book, patent litigation information, and sales information) would unnecessarily delay the study and likely prevent the Commission from producing it in a timely manner. The information from the study is most likely to be of relevance as the 107th Congress considers possible changes to the Hatch-Waxman Act. In its comment, HIAA also suggested that a study would be timely given the central role that pharmaceuticals play in medical cost inflation, with spending for prescription drugs far outpacing all other major categories of health expenditures. HIAA Comment at 2. In addition, a two-stage process could unduly burden companies by requiring them to search the same files twice—once in response to the current requests, and at a later date to comply with a second round of information requests.

The information requested in Requests 2 through 4 is necessary to show how and when generic competition has begun for various drug products. Request 2 seeks information about patents listed in the Orange Book for specified drug products. GM, NACDS, and Microbix highlighted the need to examine the practice of listing patents in the Orange Book in ways that could potentially delay generic drug entry. GM Comment at 2, Microbix Comment at 2, NACDS Comment at 1–2. For example, this information is crucial to determine how often and when innovator companies have filed new patents after the drug product has been approved and thereby triggered the 30-month stay provision. Such listings can affect when generic competition starts. Because patent listing dates are not provided in the Orange Book, the request seeks the listing date of patents in the Orange Book for specified drug products.

Request 3 seeks basic information regarding patent lawsuits initiated by the innovator company related to a generic drug product for which the innovator company holds the rights to the corresponding NDA. This information is useful to examine how the 180-day marketing exclusivity period is triggered and how often a court decision is used to resolve patent disputes. The Commission has modified the language of the request to ensure that the companies do not produce non-responsive court documents. Pharmacy Fund has urged the Commission to obtain this information and related court documents because courts usually grant the innovator companies protective orders that shield the public (and the FTC) from knowing the terms by which lawsuits are settled. Pharmacy Fund Comment at 2. Thus, this information often cannot be obtained from the court directly, and would thus have to be collected from the companies themselves.

Finally, Request 4 seeks information regarding a company's annual sales in units and dollars for each specified drug product. This information is necessary to evaluate whether companies' actions may be correlated to the market value of a particular drug product. This information should be readily available at corporate headquarters.

c. Remaining Information Request for Generic Companies

The Commission received several comments from Geneva on three of the four proposed information collection requests of generic companies.

Comments: Geneva requested that Request 2—which seeks, among other things, a description of how patent litigation expenses are or have been distributed among the parties to the litigation—be stricken, or that a further explanation be given as to how the requested information will be useful and as to what procedures will be used to keep information received confidential. Geneva also suggested that Request 3, which seeks information about generic drug commercial marketing, be narrowed or made less burdensome. Finally, Geneva suggested that Request 5, which seeks sales data for specified drug products, be amended to request sales data only for those drug products for which the company has filed an ANDA containing a paragraph IV certification and that actually resulted in patent litigation between the generic company and the innovator.

Response: Request 2 for generic companies seeks information relating to how patent litigation expenses are or have been distributed among the generic companies party to the litigation. Although there is little legislative history, it is commonly understood that the 180-day marketing exclusivity period was implemented to reward the first-filed paragraph IV ANDA applicant for bearing litigation expenses to successfully challenge the branded company's patents and also to prevent free-riding by later-filed paragraph IV ANDA applicants. The information to be provided for Request 2 will help determine whether the provision has operated to achieve that goal. In many cases, the innovator company has sued not only the first-filed ANDA applicant for patent infringement, but also later-filed applicants, and courts have consolidated these cases so that generic companies are often joint defendants. As described below in more detail, all information and documents submitted pursuant to the information request will be kept confidential under the FTC's Rules of Practice.

Requests 3 and 5 seek information regarding the commercial marketing of drug products for which the generic company has submitted an ANDA containing a paragraph IV certification. The Commission believes it is unnecessary to limit the data collection further as suggested by Geneva (only to drug products subject to Paragraph IV certifications that actually resulted in

patent litigation between the generic company and the innovator) because each information collection request will be tailored by drug product for each company. Based on initial information obtained from the FDA, as previously noted, nearly 70 percent of the generic companies will be asked to provide information relating to no more than three specific drug products. Thus, it should be relatively easy for the company to identify when it received regulatory approval and what its sales were for each individual drug product for the specified number of years.

3. Suggestions To Broaden the Scope of the Proposed Study

Comments: GM, Keats, NACDS and Pharmacy Fund suggested ways in which the Commission should broaden the study's focus. NACDS suggested that the Commission ''investigate the extent to which brand name drug manufacturers file baseless citizen petitions with the Food and Drug Administration that challenge the FDA's approval of a generic drug product.'' NACDS, along with GM, Keats, and Pharmacy Fund, also suggested that the Commission examine pricing strategies of drug manufacturers. NACDS Comment at 2. GM specifically suggested that the Commission investigate pricing practices of pharmaceutical companies for U.S. consumers compared to Europe or Japan and study the need for consumer education in this area (GM Comment at 2); Keats suggested that the Commission study how manufacturers influence the distribution of their drug products (Keats Comment at 1); and Pharmacy Fund suggested the Commission seek information regarding ''the marketing conditions that preclude competitive market pricing by the innovator company.'' Pharmacy Fund at 2. Pharmacy Fund also suggested that the Commission examine the practices of a specific company and examine whether innovator companies engage in direct-to-consumer disparagement of generic drug products. *Id.*

Response: Commission staff has commented to the FDA on the FDA's proposed rules governing citizen petitions suggesting changes that might reduce the potential for regulatory abuse.[17] Staff explained that there is potential for anticompetitive abuse of nearly any regulatory process.[18] To delay competition may be a lucrative strategy for an incumbent, especially in an industry where entry is regulated, such as pharmaceuticals. Improper petitioning may be appealing in part because it can be used against any size firm, regardless of relative resources of the parties. The cost of filing an improper citizen petition may be trivial compared to the value of securing a delay of a year or more (or possibly as little as a month's delay for a blockbuster drug) in a rival's entry into a lucrative market.[19]

Participation in the regulatory process, however, is often protected from antitrust scrutiny by the Noerr-Pennington doctrine.[20] In its simplest terms, the Noerr-Pennington doctrine shields private parties from antitrust liability when they engage in concerted but genuine efforts to influence governmental action, even though the conduct is undertaken with an anticompetitive intent and purpose. If regulatory intervention (or a series of interventions) is used to impede competition, however, antitrust concerns may be raised if not shielded by Noerr-Pennington.[21]

One of the recommendations in the staff comment was that the FDA consider requiring notification of whether the citizen petitioner has received, or will receive, consideration for filing the citizen petition and identification of the party furnishing the consideration.[22] This information may be important in evaluating the likely competitive effect of the petition.[23] In light of this potential, the Commission will seek limited, identifying information regarding the filing of citizen petitions by innovator companies for specified drug products. The information will be used to determine how frequently innovator companies have filed, or contributed to the filing of, citizen petitions with the FDA for specified drug products. The information will not be used to review the merits of the petitions or to evaluate FDA's handling of the petitions.

An investigation of pricing practices of pharmaceutical companies is beyond the scope of the study. Likewise, GM's suggestion that the Commission use the proposed study to address the need for consumer education about generic drugs, although worthwhile, is also beyond the scope of the proposed study. The Commission recognizes the importance of pricing practices and their effect on generic drug competition. The scope of the study, however, is limited to the use of agreements and other non-price strategies that are intended to delay generic drug competition. The Commission does not have the resources at this time to adequately investigate pharmaceutical pricing issues.

The Commission study is not designed to target any specific companies. Pharmacy Fund's request that the Commission do so lies outside ths scope of the study.

Finally, the Commission declines to broaden the study to examine direct-to-consumer disparagement of generic drug products. It is beyond the scope of the resources allocated for this study to fully examine the issues surrounding possible direct-to-consumer disparagement.

4. Compliance with the PRA

Comments: CRE, PhRMA, and Geneva raised various concerns about whether the proposed information collection complies with the requirements of the PRA. CRE asserted that the proposed information collection request does not include a plan for how the Commission would use the data collected; does not include a specific, objectively supported estimate of burden; fails to disclose the Commission's plan for the efficient and effective management and use of the information the FTC proposed to collect; fails to explain why a pilot program is inappropriate before issuing the information collection requests; duplicates information otherwise available to the agency; does not explain how it intends to handle trade secret or otherwise confidential information and how that information will be protected from disclosure; and fails to reduce burdens on small entities (which it asserts are likely to be many generic companies).

[17] Comment of the Staff of the Bureau of Competition and of Policy Planning of the Federal Trade Commission, Citizen Petitions; Actions That Can be Requested by Petition; Denials, Withdrawals, and Referrals for Other Administrative Action, FDA Docket No. 99N–2497 (Mar. 2, 2000) (''staff comment'').

[18] *Accord,* Robert H. Bork, *The Antitrust Paradox* 347 (1978) (''The modern profusion of [. . .] governmental authorities offers almost limitless possibilities for abuse.'').

[19] *Id.* at 348.

[20] *Eastern Railroad Presidents Conference* v. *Noerr Motor Freight, Inc* 365 U.S. 127 (1961); *United Mine Workers* v. *Pennington,* 381 U.S. 657 (1965).

[21] *Professional Real Estate Investors, Inc* v. *Columbia Pictures Indus. Inc.,* 508 U.S. 49 (1993); *see also* Bork, *supra* n. 18, at 354.

[22] The Commission recently imposed a similar condition in conjunction with its approval of the Coastal Corp and El Paso Energy Corp. merger. The Commission required the merged entity to disclose publicly whenever it undertook regulatory action on its own or through the funding of third parties to oppose the regulatory approval of a natural gas pipeline that would compete with the merged company. FTC Press Release, ''FTC Clears Merger of El Paso Energy and Coastal Corp.'' (Jan. 29, 2001) *http://www.ftc.gov/opa/2001/01/elpasocoastal.htm.*

[23] The Senate bill referenced in note 3 also included a provision relating to the use of citizen petitions and their potential for delaying generic drug competition.

PhRMA suggested that the burden estimates are neither specific nor objectively supported, and that the Commission has failed to discuss what records respondents might have or how they might keep them. Similarly, Geneva suggests that the burden estimates are unrealistic given its recent experience.

Response: The description of the collection of information and its proposed use, as well as Commission resources to effectively and efficiently manage the information, are discussed below in a separate section. Likewise, a refined estimate of burden, based on the comments received and the changes made to the language of the proposed information collection, is also described below.

Pilot Program: The PRA provides that it is within the Commission's discretion to engage in a pilot program before issuing the proposed information collection request. 44 U.S.C. 3506(c)(1)(A)(v). The Commission has declined to engage in a pilot program in light of its several law enforcement activities in this area. The Commission has investigated, and continues to investigate, cases that involve generic drug competition and its interface with the Act.[24] The experience gained through these investigations obviates the need to test the questions' effectiveness as part of a pilot program, and supports the usefulness of asking the questions contained in the information requests.

Duplicativeness: The Commission will clarify in the proposed information collection requests that respondents do not have to produce information already submitted to the agency pursuant to a law enforcement investigation authorized by the Premerger Notification Rules (16 CFR Parts 801–803 (2000)) and section 7A of the Clayton Act (15 U.S.C. 18a), or sections 6, 9, 13, and 20 of the Federal Trade Commission Act (15 U.S.C. 46, 49, 53, and 57b–1).

The Commission has entered into an agreement with FDA to receive information regarding the filing of ANDA applications containing paragraph IV certifications. This information will allow the Commission to tailor each information collection request to the specific innovator and generic companies involved with each drug product as to which a paragraph IV certification has been filed, thereby reducing the burden on each of the respondent companies.

CRE stated that the Commission has failed to address whether the CBO study[25] obviates the proposed study. The CBO study examined the extent to which competition from generic drugs has increased since the passage of the Act and analyzed how that competition has affected companies' returns on their investment in developing a drug. The CBO study does not, however, provide information on whether the 180-day marketing exclusivity and 30-month stay provisions of the Act have encouraged generic competition or facilitated the use of anticompetitive strategies. Thus, the CBO study does not substitute for the proposed one.

Confidentiality: Section 6(f) of the FTC Act, 15 U.S.C. 46(f), bars the Commission from publicly disclosing trade secrets or confidential commercial or financial information it receives from persons pursuant to, among other methods, special orders authorized by Section 6(b) of the FTC Act. Such information also would be exempt from disclosure under the Freedom of Information Act. 5 U.S.C. 552(b)(4). Moreover, under section 21(c) of the FTC Act, 15 U.S.C. 57b–2(c), a submitter who designates a submission as confidential is entitled to 10 days' advance notice of any anticipated public disclosure by the Commission, assuming that the Commission has determined that the information does not, in fact, constitute 6(f) material. Although materials covered under one or more of these various sections are protected by stringent confidentiality constraints, the FTC Act and the Commission's rules authorize disclosure in limited circumstances (*e.g.,* official requests by Congress, requests from other agencies for law enforcement purposes, administrative or judicial proceedings). Even in those limited contexts, however, the Commission's rules may afford the submitter advance notice to seek a protective order. See 15 U.S.C. 57b–2(c); 16 CFR 4.9–4.11. Finally, the information presented in the study will not reveal company-specific data. See 15 U.S.C. 57b–2(d)(1)(B). Rather, the Commission anticipates using aggregated totals, on a level sufficient to protect individual companies' confidential information, to provide a factual summary of how the provisions of the Act have operated for the specified period.

Burden on Small Entities: The information collection request is not likely to impose an undue burden on small entities, such as small generic drug companies. To the extent that a respondent is a small entity, it is likely that the specific list of drug products contained in the information collection request will be limited in number. In other words, the more drug products specified in the information collection request, the less likely that the respondent will be a small business. Based on initial information obtained from the FDA, the generic drug companies with the largest number of drug products for which information will be sought are not small businesses. Moreover, as previously noted, approximately 70 percent of innovator companies and generic companies will be asked to provide information relating to three or fewer specific drug products, thereby limiting their burden. Finally, the Commission staff will answer any questions a respondent may have relating to the scope or meaning of anything required by the information collection request, and will consider possible modifications thereto to reduce burdens on small entities.

Company Records: Based on law enforcement investigations, it is likely that most of the agreements requested, as well as information concerning litigation, Orange Book listings, FDA approvals, and citizen petition information, reside within legal departments at corporate headquarters or with outside legal counsel. Supporting documents requested in Request 1 (for both innovator and generic companies) concerning the reasons for entering into identified agreements are likely to reside with the corporate secretary because the information requested will have been provided to an officer or director or board member. Finally, the commercial sales information requested, which is typical of information provided to corporate management, is likely to reside with the chief financial officer and to be obtained through routine requests of internal management and accounting systems.

Description of the Collection of Information and Proposed Use and Proposed Budget

The FTC proposes to send special orders to approximately 30 innovator drug companies (*i.e.,* name-brand drug manufacturers) and 70 generic drug companies to examine their use of agreements and other strategies that may affect generic drug competition. The FTC will obtain the information sought by interrogatories and document

[24] *See, e.g., In the Matter of Abbott Laboratories,* Docket No. C–3945 (2000); *In the Matter of Geneva Pharmaceuticals,* C–3946 (2000); *In the Matter of Hoechst Marion Roussel, Inc, et. al.,* Docket No. 9293, Administrative Complaint (Mar. 16, 2000); Brief of Federal Trade Commission as Amicus Curiae in *American Bioscience, Inc.,* v. *Bristol-Myers Squibb Company* (Sept. 1, 2000). In addition, the Commission has confirmed press accounts about the existence of an investigation of Glaxo SmithKline regarding Paxil.

[25] *See* CBO study, *supra* n. 10.

requests under section 6(b) of the FTC Act, 15 U.S.C. 46(b). Recipients of the information requests include name-brand pharmaceutical drug companies that have received notice of the filing of an ANDA, as defined by 21 U.S.C. 355(j), and generic drug companies that have filed such ANDAs. The FDA has agreed to provide the Commission with ANDA paragraph IV application information so that Commission staff can tailor each information collection request to the respondent company's specific drug products that may be subject to generic drug competition. In addition to routine questions about the name, address, and incorporation date of the responding company and its subsidiaries, and the name, business address, and official capacity of the official supervising the company's response, the FTC will ask innovator drug companies (the company) to provide answers to the following five questions about specific drugs:

1. Submit all agreements between the company and any person [26] (including corporations or other business entities acquired since the agreement(s) was (were) executed) executed after December 31, 1994,[27] relating to[28] an ANDA involving any Drug Product,[29] where the company holds the rights to the NDA corresponding to the ANDA that is the subject of the agreement. Examples of such agreements include, but are not limited to: (a) Patent litigation settlements (full or partial) between the company and persons that have filed an ANDA involving any Drug Product; (b) agreements related to the filing (or non-filing) of an ANDA by any applicant (or potential applicant) involving any Drug Product; (c) licensing agreements between the company and persons that have filed an ANDA involving any Drug Product; and (d) agreements related to any acquisition, divestiture, joint venture, alliance, license or merger by the company of any business involving the research, development, manufacture or sale of any Drug Product that is the subject of an ANDA. The company is not required to submit purchase orders for raw material supplies, equipment and facility contracts, or employment or consulting contracts, nor is the company required to submit agreements executed after the generic manufacturer had begun commercial marketing of the generic Drug Product corresponding to the ANDA for which it had received FDA approval. The company also is not required to submit information that has already been submitted to the Commission pursuant to the Premerger Notification Rules (16 CFR Parts 801–803 (2000)) and section 7A of the Clayton Act (15 U.S.C. 18a), or sections 6, 9, 13, and 20 of the Federal Trade Commission Act (15 U.S.C. 46, 49, 53, and 57b–1), although the company must identify such information as having been previously submitted. For any such agreement submitted, also submit all studies, surveys, analyses and reports that were prepared by or for any officer(s) or director(s) of the company (or, in the case of unincorporated entities, individuals exercising similar functions) that evaluate or analyze the reasons for making such agreement (or any of the provisions in such agreement), and indicate (if not contained in the document itself) the date of preparation and the name and title of each individual who prepared each such document.

2. Identify all patents that the company has filed in the Orange Book and the date of listing (regardless of whether currently listed in the Orange Book) relating to each Drug Product for which the company has been notified of the filing of an ANDA by another person. Indicate if the patent(s) was (were) filed in the Orange Book after the company received approval of the New Drug Application, as defined under 21 U.S.C. 355(b) *et seq.*, for the Drug Product. Also submit a copy of each such patent identified and identify whether the patent is owned by, assigned to, or licensed to the company.

3. Identify and list all lawsuits (including the court, date filed, docket number, parties, current or final status (including dates), current or final docket sheet, any reporter cites, and any appellate history relating to the lawsuit) to which the company is or was a party that involve an ANDA paragraph IV certification related to any Drug Product. Submit the complaint, the answer, any motion(s) for summary judgment, any pretrial memoranda, and any court orders and opinions on any dispositive issue for each such lawsuit.

4. For each Drug Product for which the company has been notified that an ANDA containing a paragraph IV certification had been filed with the FDA, state the company's sales,[30] in units and dollars, by each finished dosage form for each calendar year since, and including, the year the company was notified of the filing of such ANDA. If the company has its own generic version of the Drug Product, separate the sales for the branded product and the generic product.

5. For each Drug Product for which the company has been notified that an ANDA containing a paragraph IV certification has been filed with the FDA, state whether the company has filed, or contributed to the filing of, in whole or in part (*e.g.,* provided funds, legal or regulatory assistance to support the filing), a citizen petition with the FDA concerning an ANDA related to that Drug Product and identify the FDA docket number assigned to such citizen petition.

In addition to routine questions about the name, address, and incorporation date of the responding company and its subsidiaries, and the name, business address, and official capacity of the official supervising the company's response, the FTC will ask generic drug companies (the ''company'') to provide answers to the following five questions:

1. Submit all agreements between the company and any person[31] (including corporations or other business entities acquired since the agreement(s) was (were) executed after December 31, 1994,[32] relating to[33] any ANDA involving any Drug Product.[34] Examples of such agreements include, but are not limited to: (a) Patent litigation settlements (either full or partial) between the company and any Innovator Company[35]; (b) agreements

[26] The term ''person'' means any natural person, corporate entity, partnership, association, joint venture, or trust which is engaged in research and development, planning and design, production and manufacturing, distribution, or sales and marketing of any Drug Product.

[27] As well as such agreements that were executed prior to January 1, 1995 but remain in force as of the date of the information collection request.

[28] The term ''relating to'' means in whole or in part constituting, containing, concerning, discussing, describing, analyzing, identifying or stating.

[29] The term ''Drug Product'' means each finished dosage form of the drug the company has listed in the publication ''Approved Drug Products with Therapeutic Equivalence Evaluations'' (the ''Orange Book'') (regardless of whether the Drug Product is currently listed in the Orange Book) and specifically includes those Drug Products including the following active ingredients: (a list of such active ingredients will be tailored specifically for each company).

[30] The term ''sales'' means net sales, *i.e.,* total sales after deducting discounts, returns, allowances and excise taxes. ''Sales'' includes sales of the Drug Product whether manufactured by the company itself or purchased from sources outside the company and resold by the company in the same manufactured form as purchased.

[31] *See* n. 26.

[32] *See* n. 27.

[33] *See* n. 28.

[34] The term ''Drug Product'' means each finished dosage form of the drug listed in the publication ''Approved Drug Products with Therapeutic Equivalence Evaluations'' (the ''Orange Book'') (regardless of whether the Drug Product is currently listed in the Orange Book) and specifically includes those Drug Products including the following active ingredients: (a list of such active ingredients will be tailored specifically for each company).

[35] The term ''Innovator Company'' means each person or company (including its predecessors in interest, subsidiaries, affiliates, successors, and

between the company and any other person related to the filing (or non-filing) of an ANDA by the company involving any Drug Product; (c) licensing agreements entered into with any Innovator Company; and (d) agreements related to any acquisition, divestiture, joint venture, alliance, license or merger by the company of any business involving the research, development, manufacture or sale of any Drug Product that is the subject of an ANDA. The company is not required to submit purchase orders for raw material supplies, equipment and facility contracts, or employment or consulting contracts, nor is the company required to submit agreements executed after the company had begun commercial marketing of the generic Drug Product corresponding to the ANDA for which it had received FDA approval. The company also is not required to submit information that has already been submitted to the Commission pursuant to the Premerger Notification Rules (16 CFR Parts 801–803 (2000)) and section 7A of the Clayton Act (15 U.S.C. 18a), or sections 6, 9, 13, and 20 of the Federal Trade Commission Act (15 U.S.C. 46, 49, 53, and 57b–1), although the company must identify such information as having been previously submitted. For any such agreement submitted, also submit all studies, surveys, analyses and reports that were prepared by or for any officer(s) or director(s) of the company (or, in the case of unincorporated entities, individuals exercising similar functions) that evaluate or analyze the reasons for making such agreement (or any of the provisions in such agreement), and indicate (if not contained in the document itself) the date of preparation and the name and title of each individual who prepared each such document.

2. Identify and list all lawsuits (including the court, date filed, docket number, parties, current or final status (including dates), current or final docket sheet, any reporter cites, and any appellate history relating to the lawsuit) to which the company is or was a party involving an ANDA containing a paragraph IV certification. In those cases in which the company is not the sole defendant, describe how litigation expenses are or have been distributed among the defendants.

3. Identify when the company first began commercial marketing of a generic version of any Drug Product approved by the FDA, by each finished dosage form (or, if applicable, indicate that no such commercial marketing has occurred). Identify when the company received tentative and final approvals from the FDA for such Drug Product.

4. Identify each instance in which the company has asserted before a court or before the FDA that a patent was improperly or untimely listed in the Orange Book as defined in 21 U.S.C. 355(b) or (c). For each such assertion, submit the pleading(s) in which such assertion was made and any responsive pleading(s).

5. For each Drug Product for which the company has filed an ANDA containing a paragraph IV certification, state the company's sales[36] (if any), in units and dollars, by each finished dosage form for each calendar year since, and including, the year the company received FDA approval of such ANDA.

The Commission plans to compile the information received to provide a factual description of how the 180-day marketing exclusivity and 30-month stay provisions of the Hatch-Waxman Act have influenced the development of generic drug competition. For example, the Commission anticipates that the study will analyze how often the 180-day marketing exclusivity provision has been used, how it has been triggered (by commercial marketing or court orders), the frequency with which innovator companies initiate patent litigation, and the frequency with which patent litigation has been settled or litigated to a final court decision. The Commission will use the agreements provided, along with the underlying documents related to the reasons for executing the agreement, to provide a discussion of whether it appears that agreements between innovator and generic companies (or between generic companies) may have operated to delay generic drug competition. In addition, the study will provide factual evidence about innovator companies' patent listings in the Orange Book, and how frequently challenges are made to these listings by generic companies. The study also will provide evidence of innovator company use of citizen petitions relating to generic versions of their brand-name drug products. Finally, the study will examine whether the size of a drug product's sales influence the likelihood of use of strategies to delay generic competition.

The FTC's office of Policy Planning has considered the resources necessary to complete the study in a timely manner and has determined that it can do so with available personnel. Policy Planning will conduct the study and will utilize resources within the Bureaus of Competition and Economics for additional expertise as the need arises.

Estimated Hours Burden

FTC staff will ask members of the pharmaceutical industry to answer several written questions about specific drug products and to produce certain documents related to the answers provided. We believe that the burden estimates are reasonable given the refinements to the wording of Request 1 for innovator companies and generic drug companies (request seeking agreements and documents explaining the reasons for executing the agreements) to delete four years from the time period and to ensure that the question's language does not cover agreements that the Commission did not intend to be produced. Staff has increased the low-end estimate given the additional question now asked of innovator companies concerning citizen petitions.

The burden estimates were based in the first instance on experience in administering the Antitrust Improvements Act Notification and Report Form (Form) that implements the notification requirements of the Premerger Notification Rules and section 7A of the Clayton Act. Request 1 for both innovator and generic companies is comparable to the information required for question 4(c) of the Form. Based on historical experience, respondents require an average of 39 hours to complete the Form.[37] This average formed the basis for the estimated hours needed to respond to Request 1,[38] premised on the above-stated assumption that the Commission will ask most companies for information on no more than three drug products. Commission staff allocated 15 hours to respond to the additionally requested information based on its knowledge of how the requested information is generally maintained by companies that respond to such Commission requests. Thus, an additional 45 hours (3 questions × 15 hours each) initially were allocated for innovator company questions for a total of 84 hours (39 hours + 45 hours) and

assigns) that has filed a New Drug Application, as defined under 21 U.S.C. 335(b) *et seq.* for any Drug Product (NDA), or holds the rights to any such NDA.

[36] *See* n. 30.

[37] Federal Trade Commission, Submission for OMB Review, 64 FR 36877 (July 8, 1999); 66 FR 8679, 8705 (February 1, 2001).

[38] This is a conservative estimate in that the Form requires more data to be described and produced than merely the information sought by Request 1. Moreover, the estimate does not factor in that some companies may not have entered into any of the agreements described in Request 1.

an additional 60 hours (4 questions × 15 hours each) for generic companies for a total of 99 hours (39 hours + 60 hours).

Now that the Commission has added a question for innovator companies concerning citizen petitions, which it also estimates will require approximately 15 hours to answer, the lower-end estimate is approximately 100 hours for innovator companies as well as generic companies. The revised, high-end of the estimated range (500 hours) recognizes that some companies (approximately 30 percent of innovator companies and generic companies) will have to produce information for more than three drug products, with fewer than five percent of the companies having to produce information on more than 10 drug products. At the same time, the upper-end estimate, though based on this higher volume, also recognizes inherent economies of scale for the process of organizing, identifying, and retrieving information responsive to these requests.

The estimated burden of answering the questions and producing documents per respondent on a functional basis breaks down as follows:

	Hours
Organize document and information retrieval	20–50
Identify requested information	20–200
Retrieve responsive information	25–100
Copy requested information	10–50
Prepare response	25–100
	100—500

The cumulative hours burden to produce documents sought and prepare the response will be between 9,000 hours (100 hours × 90 companies) and 45,000 hours (500 hours × 90 companies).

Associated Labor Cost: It is not possible to calculate precisely the labor costs associated with answering the questions and producing the documents requested, as responses will entail participation by management and/or support staff at various compensation levels among many different companies. Individuals among some or all of those labor categories may be involved in the information collection process. Based on Geneva's comments, staff has increased the dollar figure per hour to reflect the use of outside legal counsel along with mid-management personnel for handling most (an assumed 90 percent) of the tasks involved to gather and produce the responsive information. For such labor costs, we estimate an average hourly wage of $250/hour. In addition, staff estimates an average hourly wage of $10 for the labor of clerical employees who will copy the responsive materials. Thus, the labor costs per company should range between $22,600 [(90 hours × $250/hour) + (10 hours × $10/hour)] and $113,000 [(450 hours × $250/hour) + (50 hours × $10/hour)], with approximately 70 of the 100 companies (70 percent × 70 generic companies plus 70 percent×30 innovator companies) averaging approximately $22,600 to respond to information requests. Assuming the remaining 30 companies average approximately $67,800 each in labor costs (the mean within the estimated range), then total estimated labor cost is $3,616,000 (($70 × $22,600) + (30 × $67,800)). By comparison, for example, the Commission alleged that Abbott paid Geneva a sum of $4.5 million per month to keep the generic version of Hytrin off the market.[39] Thus, the Commission believes that the estimated cost is reasonable in light of the size of the markets involved, the potential consumer harm, and Congressional interest in the area.

Geneva estimates that the burden will be ''in excess of $300,000'' to respond to the information collection request as proposed. Geneva Comment at 2. The Commission believes Geneva's estimate is based on a misunderstanding of the scope of the information collection request. First, the Commission has clarified the language of Request 1 to exclude agreements not intended to be covered by the request. Second, the Commission has significantly shortened the time period (by four years) for which it seeks such documents. Third, for each request, a company will only have to produce documents and information about specific drug products that are listed in each company's information collection request, rather than for ''all products as to which the generic company has made a Paragraph IV certification.'' Geneva Comment at 3. Thus, Commission staff continues to believe that the estimates provided above are reasonable.

Estimated capital/other non-labor costs: The capital or other non-labor costs associated with the information requests will be minimal. Although the information requests may require that respondents retain copies of the information provided to the Commission, industry members should already have in place the means to store information of the volume requested. In addition, respondents may have to purchase office supplies such as file folders, computer diskettes, photocopier toner, or paper in order to comply with the Commission's requests. Staff estimates that each respondent will spend $500 for such costs regarding the information request, for a total additional non-labor cost burden of $45,000 ($500 × 90 companies).

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 01–4758 Filed 2–26–01; 8:45 am]

BILLING CODE 6750–01–P

FEDERAL TRADE COMMISSION

Granting of Request for Early Termination of the Waiting Period Under the Premerger Notification Rules

Section 7A of the Clayton Act, 15 U.S.C. 18a, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, requires persons contemplating certain mergers or acquisitions to give the Federal Trade Commission and the Assistant Attorney General advance notice and to wait designated periods before consummation of such plans. Section 7A(b)(2) of the Act permits the agencies, in individual cases, to terminate this waiting period prior to its expiration and requires that notice of this action be published in the **Federal Register**.

The following transactions were granted early termination of the waiting period provided by law and the premerger notification rules. The grants were made by the Federal Trade Commission and the Assistant Attorney General for the Antitrust Division of the Department of Justice. Neither agency intends to take any action with respect to these proposed acquisitions during the applicable waiting period.

Trans #	Acquiring	Acquired	Entities
TRANSACTIONS GRANTED EARLY TERMINATION—01/22/2001			
20011197	The Pantry, Inc	East Coast Oil Company	East Coast Oil Company.

[39] *See* note 7.

Trans #	Acquiring	Acquired	Entities
20011273	Neptune Orient Lines Limited	Oak Hill Partners, L.P	New Logistics Holdings Corp., e-Fulfillment Corp.
TRANSACTIONS GRANTED EARLY TERMINATION—01/23/2001			
20011255	CRH plc	Carl Lizza, Jr	Mt. Hope Rock Products, Inc.
20011268	Sulzer AG	Intra Therapeutics, Inc	IntraTherapeutics, Inc.
20011281	SCP Pool Corporation	Hughes Supply, Inc	Allstate Pool Supply, Inc.
TRANSACTIONS GRANTED EARLY TERMINATION—01/24/2001			
20011238	Newport Corporation	Kensington Laboratories, Inc	Kensington Laboratories, Inc.
20011239	David S. Harris	Newport Corporation	Newport Corporation.
20011240	Paul E. Bacchi	Newport Corporation	Newport Corporation.
20011241	Paul S. Filipski	Newport Corporation	Newport Corporation.
20011249	Lightbridge, Inc	Corsair Communications, Inc	Corsair Communications, Inc.
20011259	Frank Lyon Jr	U.S. Bancorp	U.S. Bancorp.
20011274	Professor Kurt Jenny	OSI Pharmaceuticals, Inc	OSI Pharmaceuticals, Inc.
20011275	Avaya Inc	VPNet Technologies, Inc	VPNet Technologies, Inc.
20011276	Loyal Trust No. 1	Berkley Petroleum Corp	Berkley Petroleum Corp.
20011280	Internet Capital Group, Inc	AssetTRADE.com,Inc	AssetTRADE.com, Inc.
20011282	B.N. Bahadur	Pep Guide LLC	Lightsource Parent Corporation.
TRANSACTIONS GRANTED EARLY TERMINATION—01/26/2001			
20011029	Cook Inlet Region, Inc	Pocket Communications, Inc., debtor-in-possession.	DCR PCS, Inc. Pocket Communications, Inc., debtor-in-possession.
20011160	Bouygues S.A	Henry S. Branscome	Branscome Concrete, Inc.
20011209	i2 Technologies, Inc	Boston Ventures Limited Partnership V.	EC–Content, Inc. Trade Service Corporation.
20011262	Triad Hospitals, Inc	Hillcrest Healthcare System	SouthCrest L.L.C.
20011294	Citigroup Inc	Chase Industries Inc	Chase Industries Inc.
TRANSACTIONS GRANTED EARLY TERMINATION—01/29/2001			
20001728	El Paso Energy Corporation	The Coastal Corporation	The Coastal Corporation.
20011264	Six Flags, Inc	Anheuser-Busch Companies, Inc	Sea World of Ohio.
20011269	Stronach Trust	Hilton Group plc	Ladbroke Racing Pennsylvania Inc./Sports Broadcasting, Inc.
20011285	Paul G. Allen	TechTV, LLC	TechTV, LLC.
20011290	Deutsche Post AG	DHL International Limited	DHL International Limited.
20011291	Deutsche Post AG	DHL Worldwide Express, Inc	DHL Worldwide Express, Inc.
20011297	Amcor Limited	CNC Containers Corporation	CNC Containers Corporation.
20011304	Kyocera Corporation	Windward Capital Associates, L.P	Tycom Corporation.
20011311	Thomson multimedia S.A	Carlton Communications plc	Carlton Communications Investments.
20011313	Liberty Mutual Holding Company	Liberty Mutual Fire Insurance Company.	Liberty Mutual Fire Insurance Company.
20011314	Liberty Mutual Holding Company	Employers Insurance of Wausau Mutual Holding Company.	Employers Insurance of Wausau Mutual Holding Company.
20011317	J.P. Morgan Chase & Co	Advanta Corp	Advanta Corp.
20011318	Allen B. Morgan, Jr	Regions Financial Corporation	Regions Financial Corporation.
20011319	Regions Financial Corporation	Morgan Keegan, Inc	Morgan Keegan, Inc.
20011322	BBA Group PLC	General Dynamics Corporation	Gulfstream Aerospace Services Corporation.
20011323	Mr. Raul Alarcon, Jr	International Church of the Foursquare Gospel.	KSFG–FM Station.
20011341	North American Metals, Ltd	Birmingham Steel Corporation	American Steel and Wire Corporation. Birmingham Steel Corporation.
TRANSACTIONS GRANTED EARLY TERMINATION—01/30/2001			
20011309	Kaydon Corporation	William J. & Alice M. Chorkey	ACE Controls International, Inc. ACE Controls, Inc.
TRANSACTIONS GRANTED EARLY TERMINATION—01/31/2001			
20011261	Nextel Communications, Inc	Motorola, Inc	Motorola, Inc.
20011299	Hitachi, Ltd	OpNext, Inc	OpNext, Inc.
20011301	Clarity Partners, L.P.	OpNext, Inc	OpNext, Inc.
20011307	Carlyle Partners III, L.P	Connecticut Health Foundation, Inc.	Connecticare Holding Company, Inc.
20011325	Olivetti S.p.A	Empresa Nacional de Telecomunicaciones.	Empresa Nacional de Telecomunicaciones.

Trans #	Acquiring	Acquired	Entities
TRANSACTIONS GRANTED EARLY TERMINATION—02/01/2001			
20011222	CIENA Corporation	Cyras Systems, Inc	Cyras Systems, Inc.
TRANSACTIONS GRANTED EARLY TERMINATION—02/22/2001			
20011327	Hit Entertainment PLC	Lyrick Corporation	Big Feats L.P. Lyons Partnership L.P.

FOR FURTHER INFORMATION CONTACT: Sandra M. Peay or Parcellena P. Fielding, Contact Representatives, Federal Trade Commission, Premerger Notification Office, Bureau of Competition, Room 303, Washington, D.C. 20580, (202) 326–3100.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 01–4759 Filed 2–26–01; 8:45 am]

BILLING CODE 6750–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

The Committee on Immunization Registry Standards and Electronic Transactions and the American Immunization Registry Association Sponsored Meeting of Software Vendors for Healthcare Providers: Meeting

Name: Meeting with software vendors for healthcare providers sponsored by the Committee on Immunization Registry Standards and Electronic Transactions and the American Immunization Registry Association.

Time and Date: 10 a.m.–1 p.m., July 12, 2001.

Place: Arkansas' Excelsior Hotel, Three Statehouse Plaza, Little Rock, Arkansas 72201, telephone 501–375–5000.

Status: Open to the public, including all software vendors for healthcare providers, limited only by the space available. The meeting room accommodates approximately 200 people.

Purpose: Immunization Registries Issue Invitation to Vendors of Software for Healthcare Providers

The Committee on Immunization Registry Standards and Electronic Transactions(CIRSET), in cooperation with the American Immunization Registry Association (AIRA), invites vendors of healthcare software systems to participate in a meeting on July 12, 2001, from 10:00 a.m. to 1:00 p.m., in conjunction with the Annual Immunization Registry Conference being held at the Arkansas' Excelsior Hotel in Little Rock, AK. The meeting will explore the potential for two-way data exchange between provider software and state and community immunization registries, as envisioned by CIRSET, AIRA, the Centers for Disease Control and Prevention's National Immunization Program (NIP), and state and local immunization registry programs.

Challenge

Immunization registries face technical challenges similar to those faced by most of the healthcare industry today—how to enable communication among numerous disparate systems. Registries have been developed by a number of different entities—managed care organizations, independent software vendors, states, cities, counties, and local communities.

The developers of these registries chose the hardware and software support platforms that worked best within their own systems, but the resulting applications cannot communicate with each other except through expensive, custom interfaces.

Traditionally, these practices have caused vendors of practice management systems to have difficulty implementing immunization record exchange because each immunization registry had a different vision, format, and protocol for data exchange. This problem has been addressed using a national standard for electronic data exchange, Health Level Seven. The standard was used to develop an implementation guide for immunization data exchange entitled, ''Implementation Guide for Immunization Data Transactions Using Version 2.3.1 of the Health Level Seven (HL7) Standard Protocol,'' June 1999 (Guide). This Guide is the result of collaboration by a number of immunization registry developers who acknowledge the value of standardized data exchange and are ready to implement data exchange among registries. The Guide defines registry specific messages in detail, showing a range of fully valued messages that carry a complete complement of immunization data. The Guide also defines a ''minimum standard message'' that could be implemented by a non-clinical system to communicate with a registry. A minimum amount of data could be saved to a file in a standard HL7 format, creating a batch of updates for the provider to send to the registry on a periodic basis. The minimum message consists of core demographic and vaccine event data elements plus values for additional HL7-required fields. These are defined and examples provided in the Guide.

Differences in interpretations, acceptable codes, and definitions have been resolved by consensus. Registries agree that all will benefit if they adhere to one national standard implementation guide that can be available to both registries and software vendors of provider systems. One vendor explained that, with one national implementation, vendors would be more ready to incorporate it into the clinical or computer-based patient record systems they were building or upgrading. Another vendor advised that, even though his product was strictly a billing system, he believed it would be possible to extract the needed data and save it to a file as services were performed in the clinic. That file could be forwarded to the registry, eliminating the need for redundant data entry. A standard implementation allows vendors to assure their customers of compatibility among all participating systems. Just as importantly, implementing a national standard that is already in use in a large number of healthcare systems can save time and money for all involved parties.

The Future

Continuing collaboration to ensure that implementation plans meet messaging requirements will enable registry developers, vaccination providers, and vendors of physician systems to achieve interoperability not previously possible. The core data set, current vaccine and vaccine manufacturers' code sets, and the HL7 immunization messaging

implementation guide are available on the NIP website at *www.cdc.gov/nip/registry.*

Matters To Be Discussed:

Agenda items include:

- Introduction to Registries
- Introduction to CIRSET and immunization data exchange
  —Why registries need standards
  —Which registries are participating
  —What was done historically
  —Status of standards and HL7
- Needs of Immunization Registries
- CDC's Role—Guidelines and Coordination
- Vendor Opportunities
- Open Discussion of Solutions and Problems
- Next Steps

Agenda items are subject to change as priorities dictate.

Contact Person for More Information: Susan Abernathy or Julie Gamez, Program Analysts, Systems Development Branch, Data Management Division, National Immunization Program, CDC, 1600 Clifton Road, NE, M/S E–62, Atlanta, Georgia 30333, telephone 404/639–8245, fax 404/639–8171.

The Director, Management Analysis and Services office has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Dated: February 21, 2001.

John Burckhardt,

Acting Director, Management Analysis and Services Office, Centers for Disease Control and Prevention.

[FR Doc. 01–4720 Filed 2–26–01; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Statement of Organization, Functions, and Delegations of Authority

This notice amends Part K of the Statement of Organization, Functions, and Delegations of Authority of the Department of Health and Human Services (DHHS), Administration for Children and Families (ACF) as follows: Chapter KP, the Office of the Deputy Assistant Secretary for Administration (ODASA), previously amended on October 6, 1999, (64 FR 54330) and January 2, 1998, (63 FR 81). This notice reflects the restructuring of the Office of the Deputy Assistant Secretary for Administration.

This Chapter is amended as follows:

1. Chapter KP, Office of the Deputy Assistant Secretary for Administration

a. Delete KP.10 Organization in its entirety and replace with the following:

KP.10 Organization. The Office of the Deputy Assistant Secretary for Administration is headed by the Deputy Assistant Secretary who reports to the Assistant Secretary for Children and Families. The Office is organized as follows:

- Office of the Deputy Assistant Secretary for Administration (KPA)
- Office of Information Services (KPB)
- Office of Financial Services (KPC)
- Office of Organizational Development Services (KPD)
- Office of Customer Service and Administration (KPE)
- Executive Secretariat Office (KPG)
- Equal Employment Opportunity and Civil Rights Staff (KPH)
- Office of Administrative Services and Facilities Management (KPL)

b. Delete KP.20 Functions, Paragraph A, in its entirety and replace with the following:

KP.20 Functions. A. Office of the Deputy Assistant Secretary for Administration (ODASA) directs and coordinates all administrative activities for the Administration for Children and Families (ACF). The Deputy Assistant Secretary for Administration serves as ACF's: Chief Financial Officer; Chief Grants Management Officer; Federal Manager's Financial Integrity Act Management Control Officer; Principal Information Resource Management Official serving as Chief Information Officer; Deputy Ethics Counselor; Personnel Security Representative; and Reports Clearance Officer. The Deputy Assistant Secretary for Administration serves as the ACF liaison to the Office of the General Counsel and, as appropriate, initiates action in securing resolution of legal matters relating to management of the agency, and represents the Assistant Secretary on all administrative litigation matters.

The Deputy Assistant Secretary for Administration provides day-to-day executive leadership and direction to the Equal Employment Opportunity and Civil Rights Staff; Executive Secretariat Office; Office of Administrative Services and Facilities Management; Office of Customer Service and Administration; Office of Financial Services; Office of Information Services; Office of Organizational Development Services; and Office of State Systems Policy. The Deputy Assistant Secretary for Administration represents the Assistant Secretary in HHS and with other Federal agencies and task forces in defining objectives and priorities, and in coordinating activities associated with reinvention and continuous improvement initiatives.

c. Delete KP.20 Functions, Paragraph B, in its entirety and replace with the following:

B. The Office of Information Services (OIS) provides centralized information technology policy, procedures, standards and guidelines. The OIS Director serves as the Deputy Chief Information Officer, supporting the Chief Information Officer in the full range of activities required to carry out ACF's information technology (IT) and information resource management (IRM) programs. The Office provides liaison with OMB, GSA, and GAO on all IT and IRM matters and manages major interdepartmental IRM initiatives. It directs and coordinates ACF's Privacy Act responsibilities. The Office coordinates mandated OMB information collection approvals and plans. It directs and maintains ACF records and forms management programs. OIS develops long-range IRM plans; develops IRM policy, procurement plans and budgets for ACF information systems. The Office develops and implements procurement strategies for ADP support services. OIS reviews and analyzes all ADP acquisition documentation for compliance with applicable laws and regulations as well as for procurement strategy. It coordinates technical assistance provided to program offices on ADP support services procurements. The Office develops, recommends and implements ACF-wide policies, procedures, standards and guidelines concerning electronic government (e-government). It oversees the implementation of e-government policies through leadership and coordination with ACF program and staff offices. OIS serves as the ACF liaison with the Department and other federal and non-federal agencies to coordinate strategies and polices relative to staff development and training and e-government activities. The Office develops training policy and plans for ACF.

It provides leadership in directing and managing agency-wide staff development and training activities for ACF. OIS is responsible for the functional management of all information technology and software training, common needs training, and management training in the agency, including policy development,

guidance, technical assistance and evaluation of all aspects of career, employee, supervisory, management and executive training. The Office provides leadership in managing/overseeing and monitoring the ACF Training Resource Center and the Computer Training and Information Centers. The Office develops and manages the consolidated training budget for the Agency.

OIS plans, manages, maintains and operates ACF's local area networks, national wide area network and personal computers; provides for equipment and software acquisition, maintenance and user support for end-user computing; and manages and maintains a Help Desk for ACF users. OIS develops and implements policies and plans for and acquires and manages data communications services; provides liaison with HHS, GSA and private firms on data communications matters; and provides assistance to ACF components to identify needs for and the use of data communications equipment and systems.

OIS designs, develops, implements and maintains application systems to support ACF budget, program and administrative systems. The Office provides technical assistance to ACF program offices procuring system support services; provides technical assistance on automated systems to state and local agencies who are users of ACF's computer systems; develops software policy, procedures, standards and guidelines and conducts major information system reviews of ADP systems as required by the Department.

OIS designs, develops, and maintains system support for e-government activities; provides technical assistance to ACF program offices for e-government support services; and provides technical assistance on e-government systems to state and local agencies.

OIS establishes, implements, maintains and oversees an IT security program that assures adequate security is provided for all agency information collected, processed, transmitted, stored or disseminated in general support systems and applications. The Office develops and implements agency-wide policies, standards and procedures consistent with government-wide IT security policies; conducts the ACF system security activities required by OMB IT security directives; develops, implements and maintains a security training plan for IT professionals; and provides security awareness training for all ACF staff.

d. Delete KP.20 Functions, Paragraph C, in its entirety and replace with the following:

C. The Office of Financial Services (OFS) supports the Deputy Assistant Secretary for Administration in fulfilling ACF's Chief Financial Officer (CFO), Management Control Officer, and Chief Grants Management Officer responsibilities including preparation of the CFO 5-Year Plan; performs audit oversight and liaison activities, including preparing reports to Congress, Office of the General Counsel and the Office of the Inspector General. OFS writes/interprets financial policy and researches appropriation law issues; oversees and coordinates ACF's Federal Manager's Financial Integrity Act activities; performs debt management functions; develops and administers quality assurance, training and certification programs for grants management; and is responsible for the annual preparation and audit of ACF's financial statement requirements. It develops/interprets internal policies and procedures for ACF components and coordinates the management of ACF's interagency agreement activities.

The Office provides agency-wide guidance to program and regional office staff on grant related issues; including developing and interpreting financial and grants policy, coordinating strategic grants planning, facilitating policy advisory groups, and assuring consistent grant program announcements. The Office prepares, coordinates and disseminates action transmittals, information memoranda, and other policy guidance on financial and grants management issues; provides financial and grants administration technical assistance to ACF staff and grantees; directs and/or coordinates management initiatives to improve financial administration of ACF mandatory and discretionary grant programs. OFS develops and administers grants management training for ACF program and grants staff and administers grants management certification for ACF grants staff.

OFS is responsible for developing departmental policies and procedures under which States obtain Federal financial participation in the cost of automated systems development to support programs funded under the Social Security Act. It serves as the departmental focal point and coordinator for the development and implementation of strategies and policies related to payment integrity, welfare systems integration, electronic benefit transfer and related initiatives and programs; and provides leadership and guidance to interagency work groups in these areas for the Department.

The Office provides policy guidance, management leadership and coordination regarding the optimum inter-operation of the multitude of complex Federal, State, local, tribal and private information technology systems used to carry out ACF programs. OFS provides leadership and coordination in the areas of systems assessments, systems design and planning, systems integration, data exchanges, information management, information security and electronic information exchanges. The Office leads ACF activities associated with business continuity contingency planning and with information technology partnership planning which occurs between ACF and its program partners.

e. Delete KP.20 Functions, Paragraph D, in its entirety and replace with the following:

D. The Office of Organizational Development Services (ODS) advises the Assistant organizational analysis and development including: delegations of authority; planning for new organizational elements; and planning, organizing and performing studies, analyses and evaluations related to structural, functional and organizational issues, problems and policies to ensure organizational effectiveness. The Office administers ACF's system for review, approval and documentation of delegations of authority. The Office provides technical assistance and guidance to ACF offices on intra-component organizational proposals and is responsible for development and/or review of inter-component organizational proposals. The Office develops policies and procedures for implementing organizational development activities and provides leadership of assigned ACF special initiatives arising from Departmental, federal and non-federal directives to improve service delivery to customers and to enhance employee work environment. The Office manages and administers ACF's Alternate Dispute Resolution (ADR) Program and other programs impacting the employee work environment, including developing and providing guidance, policies and procedures for ACF offices and serving as liaison with the Department and other federal agencies for coordination of strategies and processes for the ADR and other assigned programs.

The Office coordinates assigned agency-wide management initiatives that include: coordination and implementation of the HHS and ACF employee work life program; administrative guidance and support to

the HHS and ACF Labor-Management Partnership Councils and other assigned Workgroups; and coordination of Departmental and other employee surveys. The Office provides guidance to ACF program/staff/regional offices in developing strategies for implementation of initiatives; seeks counsel and advice from the Department and other federal agencies; and develops evaluation instruments to measure the success of ACF initiatives. The Office manages and coordinates designated incentive awards programs.

f. Delete KP.20 Functions, Paragraph E, in its entirety and replace with the following:

E. The Office of Customer Service and Administration (OCSA) advises the Assistant Secretary, through the Deputy Assistant Secretary for Administration, on human resource management for ACF; and provides direction, leadership and management of the internal administrative activities of the Office of the Deputy Assistant Secretary for Administration.

OCSA provides leadership, direction and oversight for human resource management services provided to ACF through a contract and supplemental memoranda of understanding (MOUs) with the Program Support Center (PSC).

OCSA, in collaboration and coordination with the PSC, provides advice and assistance to ACF managers in their personnel management activities, including recruitment, selection, position management, performance management, designated performance and incentive awards and employee assistance programs and other services to ACF employees. OCSA provides management, direction and oversight of the following personnel administrative services: the exercise of appointing authority, position classification, awards authorization, performance management evaluation, personnel action processing and record keeping, merit promotion, special hiring and placement programs. OCSA serves as liaison between ACF, the Department and the Office of Personnel Management. It provides technical advice and assistance on personnel policy, regulations and laws. OCSA formulates and interprets policies pertaining to existing personnel administration and management matters and formulates and interprets new human resource programs and strategies.

OCSA, in collaboration and coordination with the PSC, provides oversight and management advisory services on all ACF labor management and employee relations issues. The Office plans and coordinates ACF employee relations and labor relations activities, including the application and interpretation of the Federal Labor Management Relations Program, collective bargaining agreements, disciplinary and adverse action regulations and appeals. OCSA participates in the formulation and implementation of policies, practices and matters affecting bargaining unit employees' working conditions by assuring management's compliance with the Federal Labor Relations Program (5 U.S.C. Chapter 71). The Office maintains oversight, leadership and direction of the labor-management and employee relations services provided under contract with the PSC.

OCSA is responsible for formulation, planning, analysis and development of ACF human resource policies and programs, workforce planning, retirement and benefits counseling and liaison functions to the Department on ACF payroll matters.

OCSA formulates and oversees the implementation of ACF-wide policies, regulations and procedures concerning all aspects of the Senior Executive Service (SES), and SES-equivalent recruitment, staffing, position establishment, compensation, award, performance management and related personnel areas. The Office manages the ACF SES performance recognition systems and provides services for functions of the Executive Secretary to the Executive Resources Board and the Performance Review Board.

OCSA coordinates Schedule C and executive personnel activity with the Office of the Secretary and is the focal point for data, reports and analyses relating to Schedule C, SES and Executive-level personnel.

OCSA administers the ACF Ethics Program, the Personnel Security Program and the Drug Testing Program in coordination with the Department's Office of Government Ethics, the Office of General Counsel and the Office of Security and Drug Testing.

OCSA provides direction in meeting the human resource management needs within ODASA. The Office is responsible for providing leadership, guidance, oversight and liaison functions for ODASA personnel related issues and activities as well as other administrative functions within ODASA. OCSA coordinates with the Department to provide ODASA staff with personnel services including position management, performance management, employee recognition, staffing, recruitment, employee and labor relations, employee assistance, payroll liaison, staff development and training, and special hiring and placement programs. OCSA develops and maintains systems to track personnel actions to keep the Deputy Assistant Secretary for Administration and OA Office Directors informed about the status of personnel actions, employee programs, services and benefits.

g. Delete KP.20 Functions, Paragraph F, in its entirety.

h. Delete KP.20 Functions, Paragraph G, in its entirety and replace with the following:

G. The Executive Secretariat Office (ExecSec) ensures that issues requiring the attention of the Assistant Secretary, Deputy Assistant Secretaries and/or executive staff are addressed on a timely and coordinated basis and facilitates decisions on matters requiring immediate action including White House, Congressional and Secretarial assignments. The Office serves as the ACF liaison with the HHS Executive Secretariat. It receives, assesses and controls incoming correspondence and assignments to the appropriate ACF component(s) for response and action and provides assistance and advice to ACF staff on the development of responses to correspondence. The Office provides assistance to ACF staff on the use of the controlled correspondence system. The Office coordinates and/or prepares congressional correspondence; and tracks development of periodic reports and facilitates departmental clearances. The Director of the Executive Secretariat Office serves as the Freedom of Information Act Officer for ACF and coordinates hot line calls received by the Office of Inspector General and the General Accounting Office relating to ACF operations and personnel.

i. Delete KP.20 Functions, Paragraph H, in its entirety and replace with the following:

H. The Equal Employment Opportunity and Civil Rights Staff (EEOCRS) serves as the principal advisor, through the Deputy Assistant Secretary for Administration, to the Assistant Secretary on all aspects of the Agency Equal Employment Opportunity and Civil Rights program.

The Staff serves as the liaison between ACF and the HHS Office for Civil Rights. The Staff directs and manages the ACF Equal Employment Opportunity and Civil Rights program in accordance with Equal Employment Opportunity Commission (EEOC) regulations and HHS guidelines. The immediate oversight is provided by a staff under the direction of the ACF EEO Officer. The Staff plans, develops and evaluates programs and procedures designed to identify and eliminate

discrimination in employment, training, incentive awards, promotion and career opportunities. They are responsible for implementing and evaluating a cost-effective, timely and impartial system for processing individual complaints of discrimination under Title VII of the Civil Rights Act of 1964, as amended. The Staff provides information, guidance, advice and technical assistance to ACF supervisors and managers on affirmative employment planning and other means of achieving parity and promoting work force diversity. The Staff is responsible for ensuring that ACF-conducted programs do not discriminate against recipients on the basis of race, color, national origin, age or disability. The Staff monitors and implements civil rights compliance actions under Title VI, Section 504 of the Rehabilitation Act of 1973, as amended and the Age Discrimination Act of 1975, as amended. The Staff implements the applicable provisions of the Americans With Disabilities Act of 1990.

j. Delete KP.20 Functions, Paragraph L, in its entirety and replace with the following:

L. The Office of Administrative Services and Facilities Management (OASFM) directs and manages ACF's administrative support services, and facilities management programs and activities.

The Office provides, prepares, coordinates and disseminates information, policy and procedural guidance on administrative and facilities management issues on an agency-wide basis. It directs and/or coordinates management initiatives to improve ACF administrative and facilities management services with the goal of continually improving services while containing costs.

OASFM maintains budgetary controls on administrative services accounts, reconciling accounting reports and invoices, and monitoring all spending. The Office controls credit card for small purchases on behalf of the Agency. OASFM establishes and manages contracts and/or blanket purchase agreements for administrative support and facilities management services, including space design, building alteration and repair, telecommunications, reprographics, physical security, moving, labor, property management and inventory, systems furniture acquisitions and assembly, and fleet management.

The Office provides management and oversight of ACF mail delivery services and activities, including Federal and contractor postal services nationwide, covering all classes of U.S. Postal Service mail, priority and express mail services, and courier services, etc.

OASFM directs all activities associated with the ACF Master Housing Plan, including coordination and development of the agency long-range space budget; planning, budgeting, identification, solicitation, acceptance and utilization of office and special purpose space, repairs, and alterations; serving as principal liaison with GSA and other Federal agencies, building managers and facilities engineers, architects and commercial representatives, for space acquisition, negotiation of lease terms, dealing with sensitive issues such as handicapped barriers, space shortages, and security. It develops and maintains space floor plans and inventories, directory boards, and locator signs. OASFM serves as the lead for ACF in coordination and liaison with Departmental, GSA, Federal Protective Service, and other Federal agencies on implementation of federal physical security directives. The Office is responsible for planning and executing the Agency's environmental health, safety and physical security programs, ensuring that appropriate occupational health and safety and occupant emergency evacuation plans are in place. It serves as principal liaison with private and/or Federal building managers for all administrative services and facilities management activities. The Office is responsible for issuing, managing and controlling badge and cardkey systems to control access to agency space for security purposes.

OASFM develops and/or implements agency telecommunications management policy in accordance with Federal regulations and procedures. The Office reviews and directs payment of agency telephone invoices. It recommends and advises on the design and function of telecommunications systems, based on user needs, costs and technological availability. OASFM communicates directly with private industry service providers to coordinate the acquisition, installation and maintenance of voice/data telecommunications equipment and systems. It is responsible for other sources of communications capability such as pagers, cellular phone service, cable TV service, and audio conferencing equipment and service. It updates and maintains the ACF LAN-based telephone directory, handles the distribution of all commercial directories and updates and maintains the databases for telephone lines and equipment inventories.

OASFM plans, manages/operates employee transportation programs, including shuttle service and fleet management; employee and visitor parking; and commuter services and programs including transit subsidies and ridesharing. The Office develops and implements ACF travel policies and procedures consistent with Federal requirements. The Office provides technical assistance and oversight; coordinates ACF use of the Travel Management System; manages employee participation in the Travel Charge Card program, and coordinates Travel Management Center services for ACF. OASFM purchases and tracks common use supplies, stationery and publications. It plans and manages reprographic services.

The Office develops and implements policies and procedures for the ACF Personal Property Management Program, including managing the ACF Personal Property Inventory, and other personal property activities.

Dated: February 21, 2001.

Elizabeth M. James Duke,

Deputy Assistant Secretary for Administration.

[FR Doc. 01–4731 Filed 2–26–01; 8:45 am]

BILLING CODE 4184–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Notice of Filing of Annual Reports of Federal Advisory Committee

Notice is hereby given that pursuant to section 13 of Public Law 92–463, fiscal years 1999 and 2000 annual reports for the following Health Resources and Services Administration's Federal advisory committee has been filed with the Library of Congress: Health Professions and Nurse Education Special Emphasis Panel.

Copies are available to the public for inspection at the Library of Congress Newspaper and Current Periodical Reading Room, James Madison Memorial Building, Room LM–133, First Street and Independence Avenue, SE., Washington, DC. Copies may be obtained from: Jennifer Burks, M.S.N., Executive Secretary, Health Professions and Nurse Education Special Emphasis Panel, Parklawn Building, Room 8C–23, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443–6339.

Dated: February 20, 2001.

Jane M. Harrison,

Director, Division of Policy Review and Coordination.

[FR Doc. 01–4686 Filed 2–26–01; 8:45 am]

BILLING CODE 4160–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Proposed Collection; Comment Request; National Institutes of Health Undergraduate Scholarship Program for Individuals From Disadvantaged Backgrounds

SUMMARY: In compliance with the requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, for opportunity for public comment on proposed data collection projects, the Office of Loan Repayment and Scholarship (OLRS), the National Institutes of Health (NIH), will publish periodic summaries of proposed projects to be submitted to the Office of Management and Budget (OMB) for review and approval.

Proposed Collection: Title: NATIONAL Institutes of Health Undergraduate Scholarship Program for Individuals from disadvantaged Backgrounds. *Type of Information Collection Request:* REVISION. *Form Numbers:* NIH 2762–1, NIH 2762–2, NIH 2762–3, NIH 2762–4, and NIH 2762–5. *Need and Use of Information Collection:* The NIH Undergraduate Scholarship Program for Individuals from Disadvantaged Backgrounds (UGSP) requires participants to maintain enrollment in an undergraduate degree program and to begin service payback through employment at the NIH within 60 days of their graduation. This information collection certifies that scholars are continuing their undergraduate program and provides those who have graduated the opportunity to request a deferment of their service payback obligation if they are enrolled in an approved graduate or medical degree program. *Frequency of response:* Annual. *Affected public:* Individuals and Academic Institutions. *Types of Respondents:* Participants in the UGSP and Academic Institutions (undergraduate, graduate, and medical schools). The annual reporting burden is as follows: *Estimated Number of Respondents:* 80; *Estimated Number of Responses per Respondent:* 1; *Average Burden Hours per Response:* 0.75; and *Estimated Total Annual Burden Hours Requested:* 60. The annualized cost to respondents is estimated at $0. There are no Capital Costs to report. There are no Operating Costs or Maintenance Costs to report.

Request for Comments: Written comments and/or suggestions from the public and affected agencies are invited on one or more of the following points: (1) Whether the proposed collection of information is necessary for the proper performance of the function 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 the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

FOR FURTHER INFORMATION CONTACT: To request more information on the proposed project or to obtain a copy of the data collection plans and instruments, contact Marc S. Horowitz, J.D., Director, Office of Loan Repayment and Scholarship, NIH, 2 Center Drive, Room 2E28, MSC 0230, Bethesda, MD 20892–0230, or call toll-free 1–800–528–7689, or E-mail your request, including your address to: MHorowitz@nih.gov.

Comments Due Date: Comments regarding this information collection are best assured of having their full effect if received on or before April 30, 2001.

Dated: February 16, 2001.

Yvonne T. Maddox,

Acting Deputy Director, NIH.

[FR Doc. 01–4777 Filed 2–26–01; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR 4649–N–01]

Notice of Proposed Information Collection: Comment Request, State CDBG Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, 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 Date: April 30, 2001.

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: Shelia Jones, Reports Liaison Officer, Department of Housing and Urban Development, 451 7th Street, SW., Room 7232, Washington, DC 20410.

FOR FURTHER INFORMATION CONTACT: Lindy Heaster at (202) 708–1322, Extension 4416 (this is not a toll free number) for copies of the proposed forms and other available documents.

SUPPLEMENTARY INFORMATION: The Department is submitting 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).

This Notice is soliciting comments from members of the public and affected 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: State CDBG Program.

OMB Control Number, if applicable: 2506–0085.

Description of the need for the information and proposed use: The information collected from states participating in the state-administered CDBG program is used by the Department to determine each state's compliance with statutory and regulatory requirements and to provide supporting information for review and audit.

Agency form numbers, if applicable: The Housing and Community Development Act of 1974, as amended, requires states that administer the CDBG Program to submit: (1) a Final Statement that contains the community development objectives, a method of

distribution, and the certification by the Governor or a duly authorized state official (Section 104(a)(1)); (2) an annual performance and evaluation report (PER) (Section 104(e)); and such records as may be necessary to facilitate review and audit by HUD of the state's administration of CDBG funds (Section 104(e)(2)).

Members of affected public: State Governments participating in the State-administered CDBG Program.

Estimation of the total number of hours needed to prepare the information collection including number of respondents, frequency of responses, and hours of responses: The estimated number of respondents is 50. The proposed frequency of the response to the collection of information is annual. Annual recordkeeping (including electronic payments) is estimated at 107,400 hours annually for approximately 50 grant recipients.

Status of the proposed information collection: Reinstatement, with minor change, of a previously approved collection for which approval is near expiration and request for OMB renewal for three years. The current OMB approval expired in April 1997.

This report does not include hours spent on Consolidated Plan preparation and reporting. Those hours are reported with 2506–0117.

Authority: The Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4782 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4656–N–02]

Notice of Proposed Information Collection: Comment Request; Issuer's Monthly Accounting Reports

AGENCY: Office of the President of the 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 Date: April 30, 2001.

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, Government National Mortgage Association, 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).

Through this Notice, the Department is soliciting comments from members of the public and affected 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 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: Issuer's Monthly Accounting Reports.

OMB Control Number, if applicable: 2503–0004.

Description of the need for the information and proposed use: Issuers use these forms to report monthly on their securities transactions. The data is collected to assure Ginnie Mae that issuers are performing pursuant to the terms of the guaranty agreements and investors are receiving all funds due them.

Agency form numbers, if applicable: HUD Form 11710–A, 11710–B, 11710–C, 11710–D and 11710–E

Members of affected public: For-profit business (mortgage industry trade associations, securities companies, accounting firms, law firms, service providers, 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: There are approximately 445 active issuers in the Mortgage-Backed Securities Program. Program regulation requires issuers to maintain adequate accounting records and to provide Ginnie Mae with reports with respect to MBS pools. The information is compiled by the issuer and submitted electronically to Ginnie Mae. The estimated time it takes to submit the collection of information varies. It takes approximately .16 minutes to complete and submit the required data for the five forms monthly to Ginnie Mae. Approximately 5% of 430,011 pools were issued monthly in 2000. Thus, approximately 21,500 pools were issued monthly. The following mathematical variables are used to estimate the approximate total annual burden hours.

(1) Frequency + total issuers = monthly submissions 21,500 + 445 = 21,945.

(2) Monthly submissions × 12 months = total responses 21,945 × 12 = 263,340.

(3) Total responses × ave. minutes to complete form = annual burden hours.

263,340 × .16 = 42,235 Total Annual Burden Hours.

Status of the proposed information collection: This is a reinstatement, with change, of a previously approved collection for which approval has expired.

Authority: Section 3506 of the Paperwork Reduction Act of 1995, 44 U.S.C. chapter 35, as amended.

Dated: February 14, 2001.

George S. Anderson,

Executive Vice President, Ginnie Mae.

[FR Doc. 01–4791 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–01–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR 4562–N–11]

Notice of Proposed Information Collection for Public Comment for the Analysis of Proposed Main Construction Contract

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, 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 Date: April 30, 2001.

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: Mildred M. Hamman, Reports Liaison Officer, Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW., Room 4238, Washington, DC 20410–5000.

FOR FURTHER INFORMATION CONTACT: Mildred M. Hamman, (202) 708–3642, extension 4128, for copies of the proposed forms and other available documents. (This is not a toll-free number).

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, 12 amended).

This notice is soliciting comments from members of the public and affected 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 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: Analysis of Proposed Main Construction Contract.

OMB Control Number: 2577–0037.

Description of the need for the information and proposed use: Under the Annual Contribution Contract (ACC), Public Housing Agencies (PHAs) must prepare and submit main construction contracts and other contracts for projects being developed, or proposed to be developed under the Low-Income Housing Program. HUD will use the information to approve construction bids and budgets prior to awarding PHA's construction contracts.

Agency form number: HUD–52396.

Members of affected public: State or Local Government.

Estimation of the total number of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response: 114 respondents, annually, 2 hours average per response; total annual reporting burden 248 hours.

Status of the proposed information collection: Extension, without change.

Authority: Section 3506 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: February 21, 2001.

Gloria Cousar,

Acting General Deputy Assistant Secretary for Public and Indian Housing.

BILLING CODE 4210–33–M

Analysis of Proposed Main Construction Contract

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0037 (exp. 4/30/2001)

Public reporting burden for this collection of information is estimated to average 2 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. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is collected under the authority of Section 6(c) of the U.S. Housing Act of I937. Under the ACC, Housing Agencies (HAs) must prepare and submit main construction contracts and other contracts for projects being developed, or proposed to be developed under the Low-Income Housing Program HUD will use the information to approve construction bids and budgets prior to awarding PHA's construction contracts. The approved pre-bid budget amounts for various elements, the actual bid amounts and any proposed changes, and the actual final adjusted bid amount by comparing these elements, HUD/PHA can prepare a revised Development Cost Budget. Responses to the collection of information are required to obtain a benefit The information requested does not lend itself to confidentiality.

Name of Public Housing Agency	Project No.	
Location of Project	No. of Units	No. of Rooms

	Account Classification 1	Pre-Bid Estimate 2	Bid Amount 3	Proposed Changes in Bid Amount 4	Bid Amount Plus or Minus Changes (3 + 4) 5
	Site Improvement (1450) Demolition				
	Grading				
	Sanitary Sewers				
	Storm Sewers				
	Water Distribution				
	Gas Distribution System				
	Electric Distribution System				
	All. for Abnormal Sub-Soil Conditions				
	Excess Dwell. & Nondwell. Foundations				
	Paved Areas				
	Fin. Grading, Lawns & Planting				
	Miscellaneous				
61	**Total Site Improvement**				
	Dwelling Structures (1460) General				
	Plumbing				
	Heating (except space heaters)				
	Electrical (including meters)				
	Elevators				
	Total Dwelling Structures				
	Dwelling Equipment (1465) Ranges				
	Refrigerators				
	Space Heaters				
	Shades				
	Screens				
	Work Tables				
	Other				
	Total Dwelling Equipment				
	Nondwelling Structures (1470) Admin. Bldgs. or Spaces				
	Maintenance Bldgs. or Spaces				
	Community Bldgs. or Spaces				
	Total Nondwelling Structures				
	Nondwelling Equipment (1475)				
	Total				

Previous editions are obsolete. ref. Handbooks 7475.1 & 7417.1 form **HUD-52396** (1/93)

[FR Doc. 01–4792 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–33–C

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4652–N–12]

Notice of Proposed Information Collection for Public Comment for the Office of Public and Indian Housing Memorandum of Agreement (MOA) and Improvement Plan (IP) in Connection With the Public Housing Assessment System (PHAS)

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, 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 Date:* April 30, 2001.

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: Mildred M. Hamman, Reports Liaison Officer, Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW., Room 4238; Washington, DC 20410–5000.

FOR FURTHER INFORMATION CONTACT: Mildred M. Hamman, (202) 708–3642 extension 4128, for copies of the proposed forms and other available documents. [This is not a toll-free number.]

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).

This Notice is soliciting comments from members of the public and affected 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 response.

This Notice also list the following information:

Title of Proposal. Memorandum of Agreement (MOA) and Improvement Plan (IP).

OMB Control Number:

Description of the need for the information and proposed use: A Public Housing Agency (PHA) which is designated troubled or substandard under the Public Housing Assessment System (PHAS) must enter into a Memorandum of Agreement (MOA) with HUD to outline its planned improvements. Similarly, a PHA which is a standard performer, but receives a total PHAS score of less than 70% but not less than 60% is required to submit an Improvement Plan (IP). These plans are designed to address deficiencies in a PHA's operations found through the PHAS assessment process (management, financial, physical, or resident related) and any other deficiencies identified by HUD through independent assessments or other methods.

Agency form number, if applicable: NA.

Members of affected public: Public Housing Agencies.

Estimation of the total number of hours needed to prepare the information collection including number of respondents, frequency of response: 939 respondents for either a MOA or in IP and either monthly or quarterly reports, 36 hours average response (including reporting), 34,026 hours total reporting burden hours.

Status of the proposed information collection: New collection.

Authority: Section 3506 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: February 21, 2001.

Gloria Cousar,

Acting General Deputy Assistant Secretary for Public and Indian Housing.

[FR Doc. 01–4793 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–33–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–02]

Announcement of OMB Approval Number for Rural Housing and Economic Development Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB Approval Number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information pertaining to Rural Housing and Economic Development Program.

FOR FURTHER INFORMATION CONTACT: Ms. Jackie Mitchell, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, telephone (202) 708–2290. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Rural Housing and Economic Development Program. The OMB approval number for this information collection is 2506–0169, which expires on November 30, 2003.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4783 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–03]

Announcement of OMB Approval Number for Annual Progress Report (APR) for Competitive Homeless Assistance Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB Approval Number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information

pertaining to Rural Housing and Economic Development Program.

FOR FURTHER INFORMATION CONTACT: Mr. John Garrity, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, telephone (202) 708–4300. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Annual Progress Report (APR) for Competitive Homeless Assistance Programs. The OMB approval number for this information collection is 2506–0145, which expires on April 30, 2003.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4784 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–04]

Announcement of OMB Approval Number for Youthbuild Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD

ACTION: Announcement of OMB Approval Number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information pertaining to Rural Housing and Economic Development Program.

FOR FURTHER INFORMATION CONTACT: Ms. Phyllis Williams, Department of Housing and Urban Development, 451 7th Street, SW. Washington, DC 20410, telephone (202) 708–3484. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Youthbuild Program. The OMB approval number for this information collection is 2506–0142, which expires on September 30, 2003.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4785 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–05]

Announcement of OMB Approval Number for Housing Opportunities for Persons With AIDS (HOPWA) Program: Application for Competitive Grants Award; Annual Progress Report for Competitive

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB Approval Number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information pertaining to Housing Opportunities for Persons with AIDS (HOPWA) program: Application for competitive grants awards; annual progress report for competitive.

FOR FURTHER INFORMATION CONTACT: Mr. David Vos, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, telephone (202) 708–1934. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Housing Opportunities for Persons with AIDS (HOPWA) program: Application for competitive grants award; annual progress report for competitive. The OMB approval number for this information collection is 2506–0133, which expires on November 30, 2003.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4786 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–06]

Announcement of OMB Approval Number for Hope for Homeownership of Single Family Homes Program (HOPE 3)

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB Approval Number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information pertaining to Hope for Homeownership of Single Family Homes Program (HOPE 3).

FOR FURTHER INFORMATION CONTACT: Ms. Patricia Mason, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, telephone (202) 708–3226. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Hope for Homeownership of Single Family Homes Program (HOPE 3). The OMB approval number for this information collection is 2506–0128, which expires on August 31, 2003.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4787 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–07]

Announcement of OMB Approval Number for Urban Homesteading Program Semi-Annual Progress Report

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB Approval Number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information

pertaining to Urban Homesteading Program Semi-Annual Progress Report.

FOR FURTHER INFORMATION CONTACT: Mr. Frank Price, Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410, telephone (202) 708–2094. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Urban Homesteading Program Semi-Annual Progress Report. The OMB approval number for this information collection is 2506–0042, which expires on April 30, 2003.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4788 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–08]

Announcement of OMB Approval Number for Rental Rehabilitation Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB approval number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information pertaining to Rental Rehabilitation Program.

FOR FURTHER INFORMATION CONTACT: Mr. Frank Price, Department of Housing and Urban Development, 451 7th Street, NS., Washington, DC 20410, telephone (202) 708–2094. This is not a toll-free number.

SUPPLEMENTARY INFORMATION:

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to Rental Rehabilitation Program. The OMB approval number for this information collection is 2506–0080, which expires on January 31, 2004.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4789 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4649–N–09]

Announcement of OMB Approval Number for 24 CFR Part 570—Community Development Block Grant Entitlement Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of OMB approval number.

SUMMARY: The purpose of this notice is to announce the OMB approval number for the collection of information pertaining to 24 CFR part 570—Community Development Block Grant Entitlement Program.

FOR FURTHER INFORMATION CONTACT: Ms. Sue Miller, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, telephone (202) 708–1577. This is not a toll-free number.

SUPPLEMENTARY INFORMATION:

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), this notice advises that OMB has responded to the Department's request for approval of the information collection pertaining to 24 CFR Part 570—Community Development Block Grant Entitlement Program. The OMB approval number for this information collection is 2506–0077, which expires on January 31, 2004.

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.

Dated: February 15, 2001.

Donna M. Abbenante,

Acting General Deputy Assistant Secretary.

[FR Doc. 01–4790 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–29–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4579–FA–04]

Announcement of Funding Awards for Fiscal Year 2000 for the Housing Choice Voucher Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Announcement funding awards.

SUMMARY: In accordance with Section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989, this document notifies the public of funding awards for Fiscal Year (FY) 2000 to housing agencies (HAs) under the Section 8 housing choice voucher program. The purpose of this notice is to publish the names, addresses, and the amount of the awards to housing agencies for housing conversion actions and mobility counseling.

FOR FURTHER INFORMATION CONTACT: Brian Fitzmaurice, Acting Director, Section 8 Financial Division, Office of Administration, Office of Public and Indian Housing, Room 4232, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410–8000, telephone (202) 708–2934 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number via TTY by calling the toll-free Federal Information Relay Service at 1–800–877–8339.

SUPPLEMENTARY INFORMATION: The regulations governing the housing choice voucher program are published at 24 CFR Part 982. The regulations for allocating housing assistance budget authority under Section 213(d) of the Housing and Community Development Act of 1974 are published at 24 CFR part 791, subpart D.

The purpose of this rental assistance program is to assist eligible families to pay the rent for decent, safe, and sanitary housing. The FY 2000 awardees announced in this notice were provided Section 8 funds on an as needed basis. Announcements of awards provided pursuant with NOFAs for family unification, mainstream housing, and designated housing programs, and family self-sufficiency coordinators will be published in a separate **Federal Register** notice.

Awards published under this notice were provided to assist families living in HUD-owned properties that are being sold; to assist families affected by the expiration or termination of assistance; to provide relocation and replacement

housing in connection with the demolition of public housing; to assist families in properties where the owner has prepaid the HUD mortgage; and to provide mobility counseling and assistance to families so that they may move to areas that have low racial and ethnic concentrations.

A total of $157,293,280 in budget authority for rental vouchers (29,333 units) was awarded to recipients under all of the above mentioned categories.

The Catalog of federal Domestic Assistance number for this program is 14.871.

In accordance with section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (103 Stat. 1987, 42 U.S.C. 3545), the Department is publishing the names, addresses, and amounts of those awards as shown in Appendix A.

Dated: February 15, 2001.

Gloria Cousar,

Acting General Deputy Assistant Secretary for Public and Indian Housing.

Appendix A

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2000

Housing agency	Address	Units	Award
Preservations/Prepayments			
CITY OF GLENDALE HSG AUTH	6842 NORTH 61ST AVE, GLENDALE, AZ 85301	67	348,132
CITY OF PHOENIX	NEIGH'D IMPROV'T HSG D, 251 W WASHINGTON ST, 4TH FL, PHOENIX, AZ 85034.	14	75,768
CITY OF YUMA HSG AUTH	1350 W COLORADO ST, YUMA, AZ 85364	6	12,858
CITY OF LOS ANGELES HSG AUTH	2600 WILSHIRE BLVD, LOS ANGELES, CA 90057	1	5,727
CITY OF PASADENA COMMUNITY DEV'T COMM.	100 N GARFIELD AVE, PASADENA, CA 91109	2	7,278
CITY OF ROSEVILLE HSG AUTH	405 VERNON ST, STE 1, ROSEVILLE, CA 95678	32	105,130
COUNTY OF BUTTE HSG AUTH	580 VALLOMBROSA AVE, CHICO, CA 95926	75	181,690
COUNTY OF LOS ANGELES HSG AUTH	2 CORAL CIR, MONTEREY PARK, CA 91754	150	1,037,216
COUNTY OF RIVERSIDE HSG AUTH	5555 ARLINGTON AVE, RIVERSIDE, CA 92504	130	375,081
COUNTY OF SAN BERNARDINO HSG AUTH.	1053 NORTH D ST, SAN BERNARDINO, CA 92410	23	48,572
COUNTY OF SAN DIEGO	3989 RUFFIN RD, SAN DIEGO, CA 92123	4	12,773
COUNTY OF SAN JOAQUIN HSG AUTH	448 SOUTH CENTER ST, P O BOX 447, STOCKTON, CA 95203	48	147,897
LASSEN COUNTY	707 NEVADA ST, STE 5, SUSANVILLE, CA 96130	45	67,649
NEVADA COUNTY HSG AUTH	10433 WILLOW VALLEY RD, STE C, NEVADA CITY, CA 95959	75	247,737
SAN DIEGO HSG COMMISSION	1625 NEWTON AVE, SAN DIEGO, CA 92113	410	2,726,328
SAN JOSE HSG AUTH	505 WEST JULIAN ST, SAN JOSE, CA 95110	203	1,956,108
YUBA COUNTY HSG AUTH	938 14TH ST, MARYSVILLE, CA 95901	67	177,051
COLORADO SPRINGS HSG AUTH	P O BOX 1575, COLORADO SPRINGS, CO 80903	94	516,624
FORT COLLINS HSG AUTH	1715 W MOUNTAIN AVE, FORT COLLINS, CO 80521	81	337,173
GRAND JUNCTION HSG AUTH	805 MAIN ST, GRAND JUNCTION, CO 81501	3	7,653
BRISTOL HSG AUTH	31 QUAKER LANE, BRISTOL, CT 06010	132	525,967
HAMDEN HSG AUTH	P O BOX 5095, HAMDEN, CT 06518	71	475,416
MIDDLETOWN HSG AUTH	40 BROAD ST, MIDDLETOWN, CT 06457	151	649,393
NORWICH HSG AUTH	10 WESTWOOD PARK, NORWICH, CT 06360	100	469,022
ROCKVILLE HSG AUTH	21 COURT ST, P O BOX 963, ROCKVILLE, CT 06066	106	456,707
WALLINGFORD HSG AUTH	45 TREMPER DR, WALLINGFORD TOWN, CT 06492	89	347,382
WATERBURY HSG AUTH	2 LAKEWOOD RD, WATERBURY, CT 06704	212	929,357
WILLIMANTIC HSG AUTH	49 WEST AVE, P O BOX 606, WILLIMANTIC, CT 06226	110	511,907
DC HSG AUTH	1133 NORTH CAPITOL ST NE, WASHINGTON, DC 20002	78	399,532
CITY OF BRADENTON	912 7TH AVE EAST, CALLER SERVICE 25015, BRADENTON, FL 34206.	166	630,576
HSG AUTH DEERFIELD BEACH	425 N.W 1ST TERR, 533 S DIXIE HGWY, 2ND FLR., DEERFIELD BEACH, FL 33441.	156	584,566
HSG AUTH NEW SMYRNA BEACH	P O BOX 688, NEW SMYRNA BEACH, FL 32170	0	147,510
HSG AUTH OF JACKSONVILLE	1300 BROAD ST, JACKSONVILLE, FL 32202	63	303,156
SEMINOLE COUNTY HSG AUTH	300 SUNFLOWER CIR, DELAND, FL 32724	0	408,853
SIOUX CITY HSG SERVICES DIVISION	BOX 447, 520 ORPHEUM BUILDING, SIOUX CITY, IA 51102	108	410,832
CHICAGO HSG AUTH	626 WEST JACKSON BLVD, CHICAGO, IL 60661	164	963,964
HSG AUTH OF COOK COUNTY	310 SOUTH MICHIGAN AVE, 15TH FL, CHICAGO, IL 60604	248	896,154
HSG AUTH JACKSON COUNTY	P O BOX 1209, MURPHYSBORO, IL 62966	79	272,688
BEDFORD CITY HSG AUTH	1305 K ST, BEDFORD, IN 47421	42	162,480
HSG AUTH CITY OF ELKHART	1396 BENHAM AVE, ELKHART, IN 46516	99	294,688
HSG AUTH CITY OF EVANSVILLE	P O BOX 3605, 500 COURT ST, EVANSVILLE, IN 47735	0	93,324
HSG AUTH NEW ALBANY	P O BOX 11, NEW ALBANY, IN 47150	39	116,176
HSG AUTH OF THE CITY OF MARION	601 SOUTH ADAMS ST, MARION, IN 46953	50	108,604
INDIANAPOLIS HSG AGCY	1919 N MERIDIAN ST, INDIANAPOLIS, IN 46202	408	1,484,197
BOONE COUNTY HSG AUTH	2950 WASHINGTON ST, RM 209, P O BOX 536, BURLINGTON, KY 41005.	240	941,760
AMHERST HSG AUTH	33 KELLOGG AVE, AMHERST, MA 01002	32	220,688
BRAINTREE HSG AUTH	25 ROOSEVELT ST, BRAINTREE, MA 02184	260	3,749,908
BROCKTON HSG AUTH	45 GODDARD RD, P O BOX 340, BROCKTON, MA 02303	18	47,161
COMM DEV PROG COMM OF MA., E.O.C.D..	ONE CONGRESS ST, 10TH FL, BOSTON, MA 02114	0	17,652
HAVERHILL HSG AUTH	25-C WASHINGTON ST, HAVERHILL, MA 01831	154	657,702
HOLYOKE HSG AUTH	475 MAPLE ST, HOLYOKE, MA 01040	74	305,939

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2000—Continued

Housing agency	Address	Units	Award
NEW BEDFORD HSG AUTH	P O BOX A–2081, NEW BEDFORD, MA 02741	1	5,004
PITTSFIELD HSG AUTH	65 COLUMBUS AVE, PITTSFIELD, MA 01201	10	15,668
MONTGOMERY CO HSG AUTH	10400 DETRICK AVE, KENSINGTON, MD 20895	115	1,026,720
ANN ARBOR HSG COMMISSION	727 MILLER AVE, ANN ARBOR, MI 48103	7	10,763
LANSING HSG COMMISSION	310 NORTH SEYMOUR ST, LANSING, MI 48933	22	54,895
LINCOLN PARK HSG COMMISSION	1356 ELECTRIC, LINCOLN PARK, MI 48146	38	98,198
LIVONIA HSG COMMISSION	19300 PURLINGBROOK RD, LIVONIA, MI 48152	195	960,424
MICHIGAN STATE HSG DEV'T AUTH	401 S WASHINGTON SQ, LANSING, MI 48909	662	2,595,848
ROSEVILLE HSG COMMISSION	18330 EASTLAND, ROSEVILLE, MI 48066	18	48,640
MANKATO HRA	P O BOX 3368, MANKATO, MN 56002	120	385,911
NW MN MULTI-COUNTY HRA	P O BOX 128, MENTOR, MN 56736	13	31,081
OWATONNA HRA	540 WEST HILLS CIR, OWATONNA, MN 55060	41	149,568
RICE COUNTY HRA	208 FIRST AVE NORTHWEST, FARIBAULT, MN 55021	9	16,429
SOUTH CENTRAL MULTI COUNTY HRA	410 JACKSON ST, STE 100, MANKATO, MN 56002	168	440,903
HSG AUTH OF KANSAS CITY, MISSOURI	712 BROADWAY, KANSAS CITY, MO 64105	252	1,191,456
MT DEPT OF COMMERCE	P O B 200545, 836 FRONT ST, HELENA, MT 59620	38	57,309
CITY OF HICKORY PUBLIC HOUSING AUTH.	841 S CENTER ST, P O BOX 2927, HICKORY, NC 28603	26	67,828
HSG AUTH ASHEBORO	338 W WAINMAN AVE, P O BOX 609, ASHEBORO, NC 27204	10	15,540
HSG AUTH GREENSBORO	450 N CHURCH ST, P O BOX 21287, GREENSBORO, NC 27420	132	383,775
HSG AUTH OF THE CITY OF WILMINGTON.	508 S FRONT ST, P O BOX 899, WILMINGTON, NC 28402	71	294,883
BELLEVUE HSG AUTH	8214 ARMSTRONG CIR, OMAHA, NE 68147	22	67,837
DOVER HSG AUTH	62 WHITTIER ST, DOVER, NH 03820	120	590,284
MANCHESTER HSG AUTH	198 HANOVER ST, MANCHESTER, NH 03104	198	778,532
NEW HAMPSHIRE HSG FINANCE AUTH	P O BOX 5087, MANCHESTER, NH 03108	2	5,400
PORTSMOUTH HSG AUTH	245 MIDDLE ST, PORTSMOUTH, NH 03801	1	2,928
ROCHESTER HSG AUTH	WELLSWEEP ACRES, ROCHESTER, NH 03867	46	253,306
NEW JERSEY DEPT OF COMMUNITY AFFAIRS.	101 SOUTH BROAD ST, P O BOX 051, TRENTON, NJ 08625	86	645,000
ALBUQUERQUE HSG AUTH	1840 UNIVERSITY BLVD SE, ALBUQUERQUE, NM 87106	67	195,340
CITY OF RENO HSG AUTH	1525 EAST NINTH ST, RENO, NV 89512	67	426,821
TOWN OF PENFIELD	675 W MAIN ST, ROCHESTER, NY 14611	294	748,129
LORAIN METRO HSG AUTH	1600 KANSAS AVE, LORAIN, OH 44052	36	101,439
SEMINOLE HSG AUTH	P O BOX 1253, SEMINOLE, OK 74818	80	255,360
HSG AUTH OF WASHINGTON COUNTY	111 NE LINCOLN ST, STE 200–L, MS63, HILLSBORO, OR 97124	47	212,281
ALLEGHENY COUNTY HSG AUTH	341 FOURTH AVE FIDELITY BL, PITTSBURGH, PA 15222	167	398,936
HSG AUTH UNION	P O DRAWER 440, UNION, SC 29379	75	178,278
AUSTIN HSG AUTH	P O BOX 6159, AUSTIN, TX 78762	102	701,352
DALLAS COUNTY HSG ASSIST PGM	2377 N STEMMONS FRWY, STE 200–LB 16, DALLAS, TX 75207	871	5,550,243
GARLAND HSG AUTH	P O BOX 469002, 210 CARVER ST, STE 201B, GARLAND, TX 75046.	50	243,612
GRAND PRAIRIE HSNG & COMM DEV'T	P O BOX 534045, 201 NW 2ND. ST, STE 150, GRAND PRAIRIE, TX 75053.	76	310,879
HSG AUTH OF DALLAS	3939 N HAMPTON RD, DALLAS, TX 75212	249	1,404,724
HSG AUTH OF WACO	P O BOX 978, 1001 WASHINGTON, WACO, TX 76703	72	133,118
HAMPTON REDEV'T & HSG AUTH	P O BOX 280, HAMPTON, VA 23669	142	556,705
VIRGINIA HSG DEV'T AUTH	601 S BELVIDERE ST, RICHMOND, VA 23220	81	347,026
HSG AUTH OF THE CITY OF RICHLAND	650 GEORGE WASHINGTON WAY, P O BOX 190, RICHLAND, WA 99352.	20	113,280
HSG AUTH OF THE CITY OF TACOMA	902 SOUTH ''L'' ST, TACOMA, WA 98405	61	219,057
HSG AUTH OF THE CITY OF WALLA WALLA.	501 CAYUSE ST, WALLA WALLA, WA 99362	13	38,403
OSHKOSH HSG AUTH	600 MERRITT ST, OSHKOSH, WI 54901	16	43,190
Total for Preservations/Prepayments		9,988	48,350,009
Property Disposition Relocation			
HSG AUTH GREENVILLE	P O BOX 521, GREENVILLE, AL 36037	76	217,970
COUNTY OF LOS ANGELES HSG AUTH	2 CORAL CIR, MONTEREY PARK, CA 91754	8	59,010
COUNTY OF TEHAMA	P O BOX 8263, RED BLUFF, CA 96080	94	260,744
CITY OF HARTFORD	10 PROSPECT ST, HARTFORD, CT 06103	12	78,616
HSG AUTH OF CITY OF NEW HAVEN	360 ORANGE ST, NEW HAVEN, CT 06511	65	715,464
WATERBURY HSG AUTH	2 LAKEWOOD RD, WATERBURY, CT 06704	112	719,480
DC HSG AUTH	1133 NORTH CAPITOL ST NE, WASHINGTON, DC 20002	20	137,335
CITY OF FORT MYERS	P O DRAWER 2217, FORT MYERS, FL 33902	36	187,655
HSG AUTH FORT LAUDERDALE CITY	437 S W 4TH AVE, FORT LAUDERDALE, FL 33315	68	459,335
MUNICIPAL HSG AGCY	505 SOUTH SIXTH ST, COUNCIL BLUFFS, IA 51503	100	481,559
WATERLOO HSG AUTH	CARNEGIE ANNEX, STE 102, 620 MULBERRY ST, WATERLOO, IA 50703.	126	609,827
CHICAGO HSG AUTH	626 WEST JACKSON BLVD, CHICAGO, IL 60661	220	1,689,958

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2000—Continued

Housing agency	Address	Units	Award
INDIANAPOLIS HSG AGCY	1919 N MERIDIAN ST, INDIANAPOLIS, IN 46202	94	473,862
COWLEY COUNTY PUBLIC HSG AUTH	P O BOX 1122, ARKANSAS CITY, KS 67005	44	76,069
KENTUCKY HSG CORPORATION	1231 LOUISVILLE RD, FRANKFORT, KY 40601	56	216,645
EAST BATON ROUGE PH. HSG AUTH	4546 NORTH ST, BATON ROUGE, LA 70806	74	294,208
JEFFERSON PARISH HSG AUTH	1718 BETTY ST, MARRERO, LA 70072	500	2,020,524
LAFOURCHE PH. HSG COUNCIL, SEC. 8	P O BOX 499, RACELAND, LA 70394	108	495,983
BALTIMORE CO HSG OFFICE	ONE INVESTMENT PL, STE P3, TOWSON, MD 21204	14	79,995
HSG AUTH OF BALTIMORE CITY	417 E FAYETTE ST, BALTIMORE, MD 21202	94	428,725
DETROIT HSG COMMISSION	2211 ORLEANS, DETROIT, MI 48207	205	551,025
FLINT HSG COMMISSION	3820 RICHFIELD RD, FLINT, MI 48506	35	122,203
NW MN MULTI-COUNTY HRA	P O BOX 128, MENTOR, MN 56736	20	48,648
STEVENS COUNTY HRA	STEVENS COUNTY COURTHOUSE, MORRIS, MN 56267	26	61,418
WORTHINGTON HRA	819 TENTH ST, WORTHINGTON, MN 56187	25	62,745
HSG AUTH OF KANSAS CITY, MISSOURI	712 BROADWAY, KANSAS CITY, MO 64105	152	455,313
LINCOLN COUNTY PUB HSG AGCY	16 NORTH CT, BOWLING GREEN, MO 63334	104	560,616
ST. LOUIS COUNTY HSG AUTH	8865 NATURAL BRIDGE, ST. LOUIS, MO 63121	314	1,703,674
MISS REGIONAL HSG AUTH VI	P O DRAWER 8746, JACKSON, MS 39284	148	800,936
NEW HAMPSHIRE HSG FINANCE AUTH	P O BOX 5087, MANCHESTER, NH 03108	8	43,200
NEW JERSEY DEPT OF COMMUNITY AFFAIRS.	101 SOUTH BROAD ST, P O BOX 051, TRENTON, NJ 08625	40	284,052
NEWARK HSG AUTH	57 SUSSEX AVE, NEWARK, NJ 07103	50	410,496
NEW YORK CITY HSG AUTH	250 BROADWAY, NEW YORK, NY 10007	374	3,226,463
DAYTON METRO HSG AUTH	400 WAYNE AVE, P O BOX 8750, DAYTON, OH 45401	70	333,763
HSG AUTH CITY OF PITTSBURGH	200 ROSS ST, ATTN: RAINBOW LIN, PITTSBURGH, PA 15219	151	883,242
PROVIDENCE HSG AUTH	100 BROAD ST, PROVIDENCE, RI 02903	251	1,472,281
ABERDEEN HSG & REDEV'T COMMISSION.	2324 3RD AVE SE, ABERDEEN, SD 57401	24	59,982
HSG AUTH JACKSON	P O BOX 3188, JACKSON, TN 38301	138	391,325
HSG AUTH MEMPHIS	700 ADAMS AVE, P O BOX 3664, MEMPHIS, TN 38103	83	340,839
TENNESSEE HSG DEV AGCY	404 JAMES ROBERTSON PKWY, STE 1114, NASHVILLE-DAVIDSON, TN 37243.	40	43,891
HSG AUTH OF THE CITY OF BECKVILLE	P O BOX 38, BECKVILLE, TX 75631	32	99,179
PANOLA COUNTY HSG AUTH	P O BOX 38, MONROE & MADISON, BECKVILLE, TX 75631	32	49,590
Total for Property Disposition Relocation		4,243	21,707,845
Public Housing Relocation/Replacement			
BRIDGEPORT HSG AUTH	150 HIGHLAND AVE, BRIDGEPORT, CT 06604	183	1,124,746
SPRINGFIELD HSG AUTH	200 N ELEVENTH ST, SPRINGFIELD, IL 62705	503	2,752,306
LEXINGTON-FAYETTE COUNTY HSG AUTH.	300 NEW CIRCLE RD, LEXINGTON, KY 40505	125	488,496
LYCOMING COUNTY HSG AUTH	1941 LINCOLN DR, WILLIAMSPORT, PA 17701	138	424,530
PHILADELPHIA HSG AUTH	12 SOUTH 23RD ST, PHILA, PA 19103	179	1,354,068
CHATTANOOGA HSG AUTH	P O BOX 1486, CHATTANOOGA, TN 37402	69	334,586
METRO DEV'T & HSG AGNCY	701 SOUTH SIXTH ST, P O BOX 846, NASHVILLE, TN 37202	65	410,034
Total for Public Housing Relocation/Replacement.		1,262	6,888,766
Section 8 Counseling			
PORTSMOUTH REDEV'T & HSG AUTH	P O BOX 1098, 339 HIGH ST, PORTSMOUTH, VA 23705	0	128,000
Total for Section 8 Counseling		0	128,000
Terminations/Opt-outs			
DOTHAN HSG AUTH	P O BOX 1727, DOTHAN, AL 36302	24	86,976
HSG AUTH JEFFERSON CO	3700 INDUSTRIAL PKWY, BIRMINGHAM, AL 35217	26	104,832
FAYETTEVILLE HSG AUTH	1 NORTH SCHOOL AVE, FAYETTEVILLE, AR 72701	25	93,381
HARRISON HSG AGCY	P O BOX 1715, HARRISON, AR 72602	56	122,079
CITY OF GLENDALE HSG AUTH	6842 NORTH 61ST AVE, GLENDALE, AZ 85301	31	162,360
CITY OF PHOENIX	NEIGH'D IMPROV'T HSG D, 251 W WASHINGTON ST, 4TH FL, PHOENIX, AZ 85034.	60	324,720
CITY OF YUMA HSG AUTH	1350 W COLORADO ST, YUMA, AZ 85364	80	490,358
CALIFORNIA DEPT OF HSG AND COMM DEV.	1800 THIRD ST, P O BOX 952054 (MS 390–4), SACRAMENTO, CA 94252.	81	352,230
CITY OF BALDWIN PARK HSG AUTH	14403 E PACIFIC AVE, BALDWIN PARK, CA 91706	74	384,744
CITY OF FAIRFIELD	823–B JEFFERSON ST, FAIRFIELD, CA 94533	13	85,020
CITY OF FRESNO HSG AUTH	1331 FULTON MALL, FRESNO, CA 93776	88	296,182
CITY OF HAWTHORNE	4455 W 126TH ST, HAWTHORNE, CA 90250	18	101,952
CITY OF LOS ANGELES HSG AUTH	2600 WILSHIRE BLVD, LOS ANGELES, CA 90057	50	248,562

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2000—Continued

Housing agency	Address	Units	Award
CITY OF PASADENA COMMUNITY DEV'T COMM.	100 N GARFIELD AVE, PASADENA, CA 91109	111	522,216
CITY OF PITTSBURG HSG AUTH	65 CIVIC AVE, PITTSBURG, CA 94565	77	811,580
CITY OF REDDING HSG AUTH	P O BOX 496071, REDDING, CA 96049	48	195,840
CITY OF ROSEVILLE HSG AUTH	405 VERNON ST, STE 1, ROSEVILLE, CA 95678	30	145,586
CITY OF SACRAMENTO HSG AUTH	630 I ST, SACRAMENTO, CA 95814	73	366,998
CO OF BUTTE HSG AUTH	580 VALLOMBROSA AVE, CHICO, CA 95926	39	153,036
CO OF CONTRA COSTA HSG AUTH	3133 ESTUDILLO ST, P O BOX 2759, MARTINEZ, CA 94553	130	802,261
CO OF MERCED HSG AUTH	405 U ST, MERCED, CA 95340	14	53,914
CO OF ORANGE HSG AUTH	1770 NORTH BROADWAY, SANTA ANA, CA 92706	19	149,533
CO OF RIVERSIDE HSG AUTH	5555 ARLINGTON AVE, RIVERSIDE, CA 92504	2	13,321
CO OF SACRAMENTO HSG AUTH	630 I ST, SACRAMENTO, CA 95814	74	395,326
CO OF SANTA CLARA HSG AUTH	505 WEST JULIAN ST, SAN JOSE, CA 95110	110	1,061,277
HSG AUTH CO OF KERN	525 ROBERTS LANE, BAKERSFIELD, CA 93308	185	705,709
OAKLAND HSG AUTH	1619 HARRISON ST, OAKLAND, CA 94612	72	613,817
SAN DIEGO HSG COMMISSION	1625 NEWTON AVE, SAN DIEGO, CA 92113	1	9,454
SAN JOSE HSG AUTH	505 WEST JULIAN ST, SAN JOSE, CA 95110	281	3,433,929
YOLO CO HSG AUTH	1224 LEMEN AVE, P O BOX 1867, WOODLAND, CA 95776	39	252,361
COLORADO DIVISION OF HSG	1313 SHERMAN ST R00M 323, DENVER, CO 80203	167	1,464,171
COLORADO SPRINGS HSG AUTH	P O BOX 1575, COLORADO SPRINGS, CO 80903	38	195,812
LONGMONT HSG AUTH	900 COFFMAN, STE C, LONGMONT, CO 80501	102	507,972
CITY OF HARTFORD	10 PROSPECT ST, HARTFORD, CT 06103	9	47,434
NORWICH HSG AUTH	10 WESTWOOD PARK, NORWICH, CT 06360	74	529,149
DC HSG AUTH	1133 NORTH CAPITOL ST NE, WASHINGTON, DC 20002	132	1,089,730
HSG AUTH NEW SMYRNA BEACH	P O BOX 688, NEW SMYRNA BEACH, FL 32170	45	13,410
HSG AUTH OF JACKSONVILLE	1300 BROAD ST, JACKSONVILLE, FL 32202	108	675,723
MIAMI DADE HSG AUTH	1401 NW 7TH ST, MIAMI, FL 33125	502	3,307,176
ORLANDO HSG AUTH	300 REEVES CT, ORLANDO, FL 32801	12	62,352
HSG AUTH ATLANTA GA	739 WEST PEACHTREE ST NE, ATLANTA, GA 30308	90	613,440
HSG AUTH SAVANNAH	P O BOX 1179, SAVANNAH, GA 31402	111	532,450
CITY AND COUNTY OF HONOLULU	DEPT OF COMM & SOCIAL SERVIC, 715 SOUTH KING ST, STE, HONOLULU, HI 96813.	27	231,012
CO OF HAWAII	OFFICE OF HSG & COMM DEV, 50 WAILUKU DR, HILO, HI 96720.	4	19,591
AREA XV MULTI–COUNTY HSG AGCY	417 NORTH COLLEGE, P O BOX 276, AGENCY, IA 52530	24	74,304
CITY OF CLINTON, IOWA HSG AUTH	215 6TH AVE S STE 33, CLINTON, IA 52732	56	190,371
DES MOINES MUNICIPAL HSG AGCY	1101 CROCKER, DES MOINES, IA 50309	118	374,034
KEOKUK LOW RENT HSG AGCY	111 SOUTH 2ND ST, KEOKUK, IA 52632	40	131,520
NORTHWEST IOWA REGIONAL HSG AUTH.	P O BOX 6207, SPENCER, IA 51301	15	47,777
REGIONAL HSG AUTH–VOUCHER XII	108 WEST 6TH ST, P O BOX 663, CARROLL, IA 51401	36	153,836
SIOUXLAND REGIONAL HSG AUTH	314 COMMERCE BLDG, SIOUX CITY, IA 51101	59	234,546
WARREN CO HSG AUTH	217 WEST SALEM, P O BOX 456, INDIANOLA, IA 50125	2	9,648
CHICAGO HSG AUTH	626 WEST JACKSON BLVD, CHICAGO, IL 60661	528	4,188,669
DUPAGE CO ILLINOIS	128A S COUNTY FARM RD, WHEATON, IL 60187	22	160,776
LAKE CO HSG AUTH	33928 N ROUTE 45, GRAYSLAKE, IL 60030	55	390,060
PEORIA HSG AUTH	100 S SHERIDAN RD, PEORIA, IL 61605	3	17,880
SPRINGFIELD HSG AUTH	200 N ELEVENTH ST, SPRINGFIELD, IL 62705	28	148,453
DIVISION OF FAMILY AND CHILDREN	HOUSING & COMMUNITY SERVICES, P O BOX 6116, INDIANAPOLIS, IN 46206.	61	218,136
HSG AUTH CITY OF EVANSVILLE	P O BOX 3605, 500 COURT ST, EVANSVILLE, IN 47735	77	360,949
HSG AUTH CITY OF MISHAWAKA	P O BOX 1347, MISHAWAKA, IN 46546	4	21,564
HSG AUTH OF THE CITY OF MARION	601 SOUTH ADAMS ST, MARION, IN 46953	145	430,415
INDIANAPOLIS HSG AGCY	1919 N MERIDIAN ST, INDIANAPOLIS, IN 46202	204	1,187,840
HSG AUTH OF THE CITY OF LEAVENWORTH.	200 SHAWNEE, LEAVENWORTH, KS 66048	87	301,340
JOHNSON CO HSG AUTH	9305 W 74TH ST, MERRIAM, KS 66204	5	24,958
LEXINGTON–FAYETTE CO HSG AUTH	300 NEW CIRCLE RD, LEXINGTON, KY 40505	8	48,008
JEFFERSON PARISH HSG AUTH	1718 BETTY ST, MARRERO, LA 70072	86	468,638
ST. MARTIN PARISH GOVERNMENT HSG DEPT.	118 HONORE ST, ST. MARTINVILLE, LA 70582	77	470,322
BOSTON HSG AUTH	52 CHAUNCY ST, BOSTON, MA 02111	310	2,643,130
ANNAPOLIS HSG AUTH	1217 MADISON ST, ANNAPOLIS, MD 21403	57	228,456
ANNE ARUNDEL COUNTY HSG AUTH	7885 GORDON CT, P O BOX 0817, GLEN BURNIE, MD 21060	40	342,305
BALTIMORE CO HSG OFFICE	ONE INVESTMENT PL, STE P3, TOWSON, MD 21204	75	379,800
DEPT OF HSG & COMMUNITY DEV'T	100 COMMUNITY PL, CROWNSVILLE, MD 21032	23	109,704
HAGERSTOWN HSG AUTH	35 WEST BALTIMORE ST, HAGERSTOWN, MD 21740	39	161,890
HOWARD CO HSG COMMISSION	6751 COLUMBIA GATEWAY DR, COLUMBIA, MD 21044	11	41,386
HSG AUTH OF BALTIMORE CITY	417 E FAYETTE ST, BALTIMORE, MD 21202	946	3,450,652
HSG AUTH PRINCE GEORGES CO	9400 PEPPERCORN PL, STE 200, LARGO, MD 20774	307	2,777,736
MONTGOMERY CO HSG AUTH	10400 DETRICK AVE, KENSINGTON, MD 20895	173	1,542,468
ANN ARBOR HSG COMMISSION	727 MILLER AVE, ANN ARBOR, MI 48103	136	878,516

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2000—Continued

Housing agency	Address	Units	Award
DETROIT HSG COMMISSION	2211 ORLEANS, DETROIT, MI 48207	552	3,068,142
LANSING HSG COMMISSION	310 NORTH SEYMOUR ST, LANSING, MI 48933	69	348,843
LINCOLN PARK HSG COMMISSION	1356 ELECTRIC, LINCOLN PARK, MI 48146	29	142,314
LIVONIA HSG COMMISSION	19300 PURLINGBROOK RD, LIVONIA, MI 48152	8	37,175
MICHIGAN STATE HSG DEV'T AUTH	401 S WASHINGTON SQ, LANSING, MI 48909	409	2,413,218
MICHIGAN STATE HSG DEV'T AUTH	P O BOX 30044, LANSING, MI 48909	88	422,363
PORT HURON HSG COMMISSION	905 SEVENTH ST, PORT HURON, MI 48060	7	30,254
ROSEVILLE HSG COMMISSION	18330 EASTLAND, ROSEVILLE, MI 48066	131	778,236
TRAVERSE CITY HSG COMM	10200 EAST CARTER CENTRE, TRAVERSE CITY, MI 49684	66	292,248
CAMBRIDGE HRA	121 SOUTH FERN ST, CAMBRIDGE, MN 55008	26	149,748
CHIPPEWA COUNTY HRA	CHIPPEWA COUNTY COURTHOUSE, 629 N 11TH ST, MONTEVIDEO, MN 56265.	4	12,881
HSG AUTH OF KANSAS CITY, MISSOURI	712 BROADWAY, KANSAS CITY, MO 64105	20	96,265
LEES SUMMIT HSG AUTH	111 SOUTH GRAND, LEES SUMMIT, MO 64063	16	71,838
ST. LOUIS CO HSG AUTH	8865 NATURAL BRIDGE, ST. LOUIS, MO 63121	58	177,558
BUTTE HSG AUTH	CURTIS AND ARIZONA STS, BUTTE, MT 59701	11	44,831
FOUR SQUARE COMM ACT, INC	WEST END PLAZA, P O BOX 2290, ANDREWS, NC 28901	1	2,604
HSG AUTH DURHAM	330 E MAIN ST, P O BOX 1726, DURHAM, NC 27702	16	108,207
HSG AUTH GRAHAM	109 E HILL ST, P O BOX 88, GRAHAM, NC 27253	79	349,812
HSG AUTH GREENSBORO	450 N CHURCH ST, P O BOX 21287, GREENSBORO, NC 27420	5	19,466
HSG AUTH OF THE CITY OF CHARLOTTE	P O BOX 36795, 1301 SOUTH BLVD, CHARLOTTE, NC 28236	35	171,102
HSG AUTH ROCKY MOUNT	1006 AYCOCK ST, P O BOX 4717, ROCKY MOUNT, NC 27803	36	141,025
HSG AUTH WINSTON-SALEM	901 CLEVELAND AVE, WINSTON-SALEM, NC 27101	74	352,232
ORANGE CO	300 W TRYON ST, P O BOX 8181, HILLSBOROUGH, NC 27278	25	135,681
MORTON CO HSG AUTH	P O BOX 517, MANDAN, ND 58554	29	94,190
STARK CO HSG AUTH	1149 WEST VILLARD, P O BOX 107, DICKINSON, ND 58602	24	66,240
BELLEVUE HSG AUTH	8214 ARMSTRONG CIR, OMAHA, NE 68147	34	176,648
OMAHA HSG AUTH	540 SOUTH 27TH ST, OMAHA, NE 68105	10	48,960
MANCHESTER HSG AUTH	198 HANOVER ST, MANCHESTER, NH 03104	48	261,723
CAMDEN HSG AUTH	1300 ADMIRAL WILSON BLVD, P O BOX 1426, CAMDEN, NJ 08101.	69	572,819
NEW JERSEY DEPT OF COMMUNITY AFFAIRS.	101 SOUTH BROAD ST, P O BOX 051, TRENTON, NJ 08625	71	469,389
NEWARK HSG AUTH	57 SUSSEX AVE, NEWARK, NJ 07103	307	2,672,960
ALBUQUERQUE HSG AUTH	1840 UNIVERSITY BLVD SE, ALBUQUERQUE, NM 87106	22	117,531
LAS CRUCES HSG AUTH	926 S SAN PEDRO, LAS CRUCES, NM 88001	53	245,225
CITY OF RENO HSG AUTH	1525 EAST NINTH ST, RENO, NV 89512	0	21,288
CITY OF NIAGARA FALLS	COMMUNITY DEV DEPT, P O BOX 69, 1022 MAIN ST, NIAGARA FALLS, NY 14302.	11	41,448
NEW YORK STATE HSG FINANCE AGCY	HSG & COMM RENEWAL—LA CAPRA, 25 BEAVER ST, RM 674, NEW YORK, NY 10004.	333	2,777,473
CAMBRIDGE METRO HSG AUTH	1100 MAPLE CT, P O BOX 1388, CAMBRIDGE, OH 43725	92	264,952
CHILLICOTHE MET HSG AUTH	178 WEST FOURTH ST, CHILLICOTHE, OH 45601	77	332,272
CINCINNATI METRO HSG AUTH	16 WEST CENTRAL PKWY, CINCINNATI, OH 45210	267	841,429
COLUMBUS METRO HSG AUTH	880 EAST 11TH AVE, COLUMBUS, OH 43211	203	1,122,730
CRAWFORD METRO HSG AUTH	P O BOX 1029, MANSFIELD, OH 44901	45	212,262
CUYAHOGA METRO HSG AUTH	1441 WEST 25TH ST, CLEVELAND, OH 44113	40	192,372
GREENE METRO HSG AUTH	538 NORTH DETROIT ST, XENIA, OH 45385	95	596,480
HAMILTON CO PUBLIC HSG	138 EAST COURT ST, RM 507, CINCINNATI, OH 45202	323	940,420
LICKING METRO HSG AUTH	85 WEST CHURCH, NEWARK, OH 43055	64	405,269
LUCAS METRO HSG AUTH	P O BOX 477, 435 NEBRASKA AVE, TOLEDO, OH 43602	23	104,466
PICKAWAY METRO HSG AUTH	176 RUSTIC DR, CIRCLEVILLE, OH 43113	60	395,769
WAYNE METRO HSG AUTH	200 SOUTH MARKET ST, WOOSTER, OH 44691	42	186,142
WILLIAMS METRO HSG AUTH	1044 CHELSEA AVE, NAPOLEON, OH 43545	6	14,641
YOUNGSTOWN METRO HSG AUTH	131 WEST BOARDMAN ST, YOUNGSTOWN, OH 44503	147	447,933
OKLAHOMA HSG FINANCE AGCY	P O BOX 26720, OKLAHOMA CITY, OK 73126	5	20,520
HSG AUTH OF DOUGLAS CO	902 WEST STANTON ST, ROSEBURG, OR 97470	18	73,128
HSG AUTH OF PORTLAND	135 SW ASH ST, PORTLAND, OR 97204	6	41,258
HSG AUTH OF THE CO OF CLACKAMAS	P O BOX 1510, OREGON CITY, OR 97045	24	167,470
HSG AUTH OF WASHINGTON CO	111 NE LINCOLN ST, STE 200–L, MS63, HILLSBORO, OR 97124	23	154,274
LINN-BENTON HSG AUTH	1250 SE QUEEN AVE, ALBANY, OR 97321	6	34,722
BUCKS COUNTY HSG AUTH	350 SOUTH MAIN ST, STE 205, DOYLESTOWN, PA 18901	249	972,814
JOHNSTOWN HSG AUTH	501 CHESTNUT ST, JOHNSTOWN, PA 15907	18	71,712
RHODE ISLAND HSG MORT FIN CORP	44 WASHINGTON ST, PROVIDENCE, RI 02903	10	67,201
CHARLESTON COUNTY HSG REDVEL AUTH.	P O BOX 6188, CHARLESTON, SC 29405	12	54,144
HSG AUTH AIKEN	P O BOX 889, AIKEN, SC 29802	19	87,601
HSG AUTH COLUMBIA	1917 HARDEN ST, COLUMBIA, SC 29204	32	166,272
HSG AUTH FLORENCE	P O DRAWER 969, FLORENCE, SC 29503	9	34,716
HSG AUTH GREENVILLE	P O BOX 10047, GREENVILLE, SC 29603	80	373,575
HSG AUTH UNION	P O DRAWER 440, UNION, SC 29379	19	62,260
S C STATE HSG FINANCE & DEV	919 BLUFF RD, COLUMBIA, SC 29201	24	116,235

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2000—Continued

Housing agency	Address	Units	Award
HSG AUTH MEMPHIS	700 ADAMS AVE, P O BOX 3664, MEMPHIS, TN 38103	84	347,483
METRO DEV'T & HSG AGNCY	701 SOUTH SIXTH ST, P O BOX 846, NASHVILLE, TN 37202	21	107,773
TENNESSEE HSG DEV AGCY	404 JAMES ROBERTSON PKWY, STE 1114, NASHVILLE-DAVIDSON, TN 37243.	85	329,815
ARLINGTON HSG AUTH	501 W SANFORD, STE 20, ARLINGTON, TX 76011	23	70,202
DALLAS CO HSG ASSIST PGM	2377 N STEMMONS FRWY, STE 200—LB 16, DALLAS, TX 75207	141	1,071,126
DENTON HSG AUTH	308 S RUDDELL, DENTON, TX 76205	133	983,979
FORT WORTH HSG AUTH	P O BOX 430, 1201 E 13TH. ST, FORT WORTH, TX 76101	8	40,786
GRAND PRAIRIE HSNG & COMM DEV'T	P O BOX 534045, 201 NW 2ND. ST, STE 150, GRAND PRAIRIE, TX 75053.	135	1,119,824
HSG AUTH OF BEAUMONT	P O BOX 1312, 4925 CONCORD RD, BEAUMONT, TX 77704	25	108,489
HSG AUTH OF DALLAS	3939 N HAMPTON RD, DALLAS, TX 75212	97	776,821
HSG AUTH OF NACOGDOCHES	715 SUMMIT ST, NACOGDOCHES, TX 75961	20	87,360
HSG AUTH OF ODESSA	P.O. DRAWER 154, 124 E SECOND ST, ODESSA, TX 79760	99	531,036
HSGTON HSG AUTH	2640 FOUNTAIN VIEW, HOUSTON, TX 77057	224	1,603,323
PASADENA (CITY OF)	P O BOX 672, PASADENA, TX 77501	16	76,256
ROSENBERG HSG AUTH	927 SECOND ST, ROSENBERG, TX 77471	136	610,213
SAN ANTONIO HSG AUTH	818 S FLORES ST, P O BOX 1300, SAN ANTONIO, TX 78295	71	403,731
TARRANT CO HSG ASSIST PGM	1200 CIRCLE DR, #100, FORT WORTH, TX 76119	44	215,424
TEXAS CITY HSG AUTH	817 SECOND AVE NORTH, TEXAS CITY, TX 77590	43	245,689
TEXAS DEPT HSG & COMMUNITY AFFAIRS.	P O BOX 13941, 507 SABINE, AUSTIN, TX 78711	46	354,125
WEATHERFORD HSG AUTH	1128 FORT WORTH HIGHWAY, WEATHERFORD, TX 76086	10	46,895
WICHITA FALLS HSG ASSIST PGM	P O BOX 1431, 1300 SEVENTH ST, WICHITA FALLS, TX 76307	5	15,527
HSG AUTH OF CITY OF OGDEN	2661 WASHINGTON BLVD, STE 102, OGDEN, UT 84401	18	120,192
HSG AUTH OF SALT LAKE CITY	1776 SW TEMPLE, SALT LAKE CITY, UT 84115	8	63,984
VIRGINIA HSG DEV'T AUTH	601 S BELVIDERE ST, RICHMOND, VA 23225	152	662,112
HSG AUTH OF ISLAND CO	7 NORTHWEST 6TH ST, COUPEVILLE, WA 98239	18	122,855
HSG AUTH OF THURSTON CO	505 WEST FOURTH AVE, OLYMPIA, WA 98501	12	86,157
KING CO HSG AUTH	15455–65TH AVE S, TUKWILA, WA 98188	8	40,970
SPOKANE HSG AUTH	WEST 55 MISSION ST, STE 104, SPOKANE, WA 99201	25	102,900
DOOR CO HSG AUTH	57 N 12TH AVE, STURGEON BAY, WI 54235	54	125,064
HSG AUTH OF THE CITY OF MILWAUKEE	P O BOX 324, MILWAUKEE, WI 53201	28	116,592
THE CITY OF FAIRMONT HSG AUTH	517 FAIRMONT AVE, FAIRMONT, WV 26554	19	68,211
HSG AUTH OF THE CITY OF CHEYENNE	3304 SHERIDAN AVE, CHEYENNE, WY 82009	9	37,707
Total for Terminations/Opt-outs		13,840	80,218,660
Grand Total		29,333	157,293,280

[FR Doc. 01–4688 Filed 2–26–01; 8:45 am]

BILLING CODE 4210–33–P

DEPARTMENT OF INTERIOR

Office of the Secretary

Delaware & Lehigh National Heritage Corridor Commission Meeting

AGENCY: Office of the Secretary, Department of Interior.

ACTION: Notice of meeting.

SUMMARY: This notice announces an upcoming meeting of the Delaware & Lehigh National Heritage Corridor Commission. Notice of this meeting is required under the Federal Advisory Committee Act (Pub. L. 92–463).

Meeting Date and Time: Friday, March 9, 2001, Time 1:30 p.m. to 4 p.m.

Address: Yardley Library, 46 W. Afton Ave., Yardley PA 19067.

The agenda for the meeting will focus on implementation of the Management Action Plan for the Delaware and Lehigh National Heritage Corridor and State Heritage Park. The Commission was established to assist the Commonwealth of Pennsylvania and its political subdivisions in planning and implementing an integrated strategy for protecting and promoting cultural, historic and natural resources. The Commission reports to the Secretary of the Interior and to Congress.

FOR FURTHER INFORMATION CONTACT: C. Allen Sachse, Executive Director, Delaware & Lehigh National Heritage Corridor Commission, 10 E. Church Street, Room A–208, Bethlehem, PA 18018, (610) 861–9345.

SUPPLEMENTARY INFORMATION: The Delaware & Lehigh National Heritage Corridor Commission was established by Public Law 100–692, November 18, 1988 and extended through Public Law 105–355, November 13, 1998.

Dated: February 20, 2001.

C. Allen Sachse,

Executive Director, Delaware & Lehigh National Heritage Corridor Commission.

[FR Doc. 01–4719 Filed 2–26–01; 8:45 am]

BILLING CODE 6820–PE–M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Intent To Prepare an Environmental Impact Statement for the Development of Natural Gas Resources in the Kenai National Wildlife Refuge, Alaska

AGENCY: U.S. Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: This notice advises the public that the U.S. Fish and Wildlife Service (USFWS) intends to gather information necessary for the preparation of an environmental impact statement (EIS) in response to a right-of-way application for construction of facilities associated with exploration and production of natural gas. The proposed project would be located in the Kenai National Wildlife Refuge, Alaska, in the northwest section of the Kenai Peninsula, in two areas collectively known as Swanson River Satellites. The East Swanson area is approximately 5 miles east of the Swanson River Unit (T8N, R8W, SM). The North Swanson

area encompasses the Birch Hill Unit, and is approximately 3 miles northeast of the northern Swanson River Unit boundary (T9N, R9W, SM). A series of public meetings will be held during the preparation of the EIS. Notice of the dates, times, and locations of these public meetings will be advertised in local publications prior to the event. This notice is being furnished as required by the National Environmental Policy Act (NEPA) Regulations (40 CFR 1501.7) to obtain suggestions and information from other agencies and the public on the scope of issues to be addressed in the EIS.

DATES: The public meeting dates are:

1. March 13, 2001, 7 p.m., Anchorage, Alaska.
2. March 15, 2001, 7 p.m., Soldotna, Alaska.

Written comments should be received by March 30, 2001.

ADDRESSES: The public meeting locations are:

1. Anchorage—Spenard Community Recreation Center, 2020 W. 48th Avenue, Anchorage, Alaska 99517.
2. Soldotna—Soldotna Senior Center, 197 W. Park Avenue, Soldotna, Alaska 99669.

Comments should be addressed to: Regional Director, Region 7, U.S. Fish and Wildlife Service, 1011 E. Tudor Rd., Anchorage, Alaska 99503.

FOR FURTHER INFORMATION CONTACT: Brian L. Anderson, (907) 786–3379.

SUPPLEMENTARY INFORMATION: Union Oil Company of California d.b.a. Unocal has applied for a right-of-way grant to construct facilities, including roads, pipelines, drill pads, and other facilities necessary for exploration and production of natural gas resources within the Kenai National Wildlife Refuge, a Conservation System Unit established by the Alaska National Interest Lands Conservation Act (ANILCA) (Sec. 303, Pub. L. 96–487, 16 U.S.C.668dd). The right-of-way application will be evaluated under regulations (43 CFR 36) implementing Title XI of ANILCA, Transportation and Utility Systems in and Across, and Access into, Conservation System Units in Alaska.

Most of the surface estate within the project area is owned by the United States and is managed by the USFWS, although a portion of the surface estate involved has been conveyed to the Tyonek Native Corporation. The subsurface oil, gas and coal mineral estate is owned by Cook Inlet Region Incorporated (CIRI), with the exception of the Birch Hill Unit, where these minerals are leased from the United States. Under Title XI, CIRI is entitled to adequate and feasible access to their valid inholding for economic and other purposes, subject to reasonable regulations necessary to protect the natural and other values of the refuge. Unocal has leased the natural gas development rights from CIRI and the United States.

Unocal proposes to develop natural gas exploration and production from up to three locations in the North Swanson area, and from up to three locations in the East Swanson area. The proposed road and pipeline rights-of-way for both East and North Swanson satellites total 13 miles in length and will include primary and secondary product pipelines, a water disposal pipeline, and communications and electric power lines. Proposed roads will be maintained to provide access to well sites. In addition to natural gas wells, a water well and drainage sump will be installed at each site.

The USFWS has determined that an EIS will be prepared to evaluate the potential direct, secondary, and cumulative impacts of constructing the proposed project, and to identify alternatives that would protect the resources of the Kenai National Wildlife Refuge. The environmental review will be conducted in accordance with the requirements of NEPA (42 U.S.C. 4371 *et seq.*) as implemented by the Council on Environmental Quality regulations at 40 CFR 1500–1508, and the pertinent regulations of USFWS. Upon completion of the Draft EIS, a Notice of Availability will be published in the **Federal Register**.

David B. Allen,

Regional Director, Region 7, Fish and Wildlife Service.

[FR Doc. 01–4699 Filed 2–26–01; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approved amendment to a Tribal-State Compact.

SUMMARY: Pursuant to section 11 of the Indian Gaming Regulatory Act of 1988, Pub. L. 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III gaming activities on Indian lands. The Deputy Assistant Secretary—Indian Affairs (Management), Department of the Interior, through his delegated authority, has approved the First Amendment to the Tribal-State Compact for Class III Gaming between the Lummi Indian Nation and the State of Washington, which was executed on December 18, 2000.

DATES: This action is effective February 27, 2001.

FOR FURTHER INFORMATION CONTACT: George T. Skibine, Director, Office of Indian Gaming Management, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: February 8, 2001.

James H. McDivitt,

Deputy Assistant Secretary—Indian Affairs (Management).

[FR Doc. 01–4743 Filed 2–26–01; 8:45 am]

BILLING CODE 4310–02–P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: notice of approved amendment to a Tribal-State Compact.

SUMMARY: Pursuant to section 11 of the Indian Gaming Regulatory Act of 1988 (IGRA), Pub. L. 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III gaming activities on Indian lands. The Deputy Assistant Secretary—Indian Affairs (Management), Department of the Interior, through his delegated authority, has approved the Amendment between the Oglala Sioux Tribe and the State of South Dakota, which was executed on December 7, 2000.

DATES: This action is effective February 27, 2001.

FOR FURTHER INFORMATION CONTACT: George T. Skibine, Director, Office of Indian Gaming Management, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: February 8, 2001.

James H. McDivitt,

Deputy Assistant Secretary—Indian Affairs (Management).

[FR Doc. 01–4742 Filed 2–26–01; 8:45 am]

BILLING CODE 4310–02–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CO–01–600–1919–241A]

Northwest Colorado Resource Advisory Council Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of meeting.

SUMMARY: The next meeting of the Northwest Colorado Resource Advisory Council will be held on Thursday, March 15, and Friday, March 16, 2001, at the Bureau of Land Management Grand Junction Office, Grand Junction, Colorado.

DATES: Thursday, March 15, and Friday, March 16 , 2001.

ADDRESSES: For further information, contact Lynn Barclay, Bureau of Land Management (BLM), 455 Emerson Street, Craig, Colorado 81625; Telephone (970) 826–5096.

SUPPLEMENTAL INFORMATION: The Northwest Resource Advisory Council (RAC) will meet on Thursday, March 15, 2001, and Friday, March 16, 2001, at the Bureau of Land Management Grand Junction Office, 2815 H Road, Grand Junction, Colorado 81506. The meeting will start at 1 p.m. on Thursday, March 15, ending at 4:30 p.m. that same day. The meeting will reconvene Friday, March 16 at 9 a.m. ending at 4 p.m. Discussion will include fire management and funding, Colorado Canyons National Conservation Area/ Black Ridge Wilderness, weed management, RAC operations and general program updates.

The meeting is open to the public. Interested persons may make oral statements at the meetings or submit written statements at the meeting. Time for public comment will be at 4 p.m., Thursday, March 15, 2001. Per-person time limits for oral statements may be set to allow all interested persons an opportunity to speak.

Summary minutes of council meetings are maintained at the Bureau of Land Management Offices in Craig and Grand Junction, Colorado. They are available for public inspection and reproduction during regular business hours within thirty (30) days following the meeting.

Dated: February 6, 2001.

Mark Stiles,

Western Slope Center Manager.

[FR Doc. 01–4876 Filed 2–26–01; 8:45 am]

BILLING CODE 4310–JB–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[30% to CO–956–1420–BJ–CAPD–241A; 53% to CO–956–1420–BJ–0000–241A; 11% to CO–956–9820–BJ–CO01–241A and 6% to CO–956–1910–BJ–4667–241A]

Colorado: Filing of Plats of Survey

January 24, 2001.

The plats of survey of the following described land will be officially filed in the Colorado State Office, Bureau of Land Management, Lakewood, Colorado, effective 10:00 am., June 29, 2000. All inquiries should be sent to the Colorado State Office, Bureau of Land Management, 2850 Youngfield Street, Lakewood, Colorado 80215–7093.

The plat representing the dependent resurvey of certain subdivisional lines, and the subdivision survey of section 1., T. 32 N., R. 8 W., New Mexico Principal Meridian, Group 1265, Colorado, was accepted December 18, 2000.

This survey was requested by the Bureau of Indian Affairs for administrative purposes.

The plat representing the dependent resurvey of a portion of the south and west boundaries and a portion of the subdivisional lines, and the subdivision of section 33, T. 11 N., R. 78 W., Sixth Principal Meridian, Group 1221, Colorado was accepted October 24, 2000.

The plat representing the dependent resurvey of a portion of the east boundary, (Ninth Guide meridian West), and a portion of the subdivisional lines, and the subdivision of certain sections, T. 3 N., R. 73 W., Sixth Principal Meridian, Group 1237, Colorado, was accepted November 23, 2000.

These surveys were requested by the Forest Service for administrative purposes.

The supplemental plat that cancels lots 51, 53, 54, 61, 64, 65, and 68 in the W1/2 of section 18, T. 51 N., R. 6 E., New Mexico Principal Meridian, Group 1022, Colorado, was accepted October 23, 2000.

The plat representing the dependent resurvey of a portion of the east and north boundaries and a portion of the subdivisional lines, and the subdivision of sections 1 and 2, T. 10 N., R. 79 W., Sixth Principal Meridian, Group 1213, Colorado, was accepted October 24, 2000.

The plat representing the dependent resurvey of a portion of the north boundary and subdivisional lines, and the subdivision of section 6, T. 10 N., R. 78 W., Sixth Principal Meridian, Group 1213, Colorado, was accepted October 24, 2000.

The plat (in 2 sheets) representing the dependent resurvey of certain mineral surveys in T. 42 N., R. 7 W., New Mexico Principal Meridian, Group 1239, Colorado, was accepted November 1, 2000.

The plat representing the dependent resurvey of portions of the south boundary, west boundary, north boundary, and subdivisional lines, and the subdivision of certain sections, and the description of certain corners located but not incorporated within this survey, T. 4 S., R. 93 W., Sixth Principal Meridian, Group 1207, Colorado, was accepted November 16, 2000.

The plat representing the dependent resurvey of portions of the north boundary, and the subdivisional lines, and the survey of the subdivision of sections 4 and 5, T. 5 N., R. 98 W., Sixth Principal Meridian, Group 1233, Colorado, was accepted November 29, 2000.

The plat representing the entire record of the corrective dependent resurvey of a portion of the subdivision of section 19, T. 5 S., R. 76 W., Sixth Principal Meridian, Group 1306, Colorado, was accepted December 4, 2000.

The plat representing the dependent resurvey of a portion of the west boundary, and subdivisional lines, and the subdivision of section 19, T. 2 S., R. 98 W., Sixth Principal Meridian, Group 1277, Colorado, was accepted December 19, 2000.

The amended protraction diagram (in 5 sheets) was prepared for the express purpose of describing unsurveyed public land. It does not constitute an official survey but establishes the plan for extending the rectangular survey system over these unsurveyed lands and may be used for leasing and administrative purposes only. It covers the protracted area for Townships 46 to 48 North, Ranges 19 to 20 West, New Mexico Principal Meridian, Colorado, and was accepted December 20, 2000.

The surveys were requested by the Bureau of Land Management for administrative purposes.

Collin R. Kelley,

Acting, Chief Cadastral Surveyor for Colorado.

[FR Doc. 01–4709 Filed 2–26–01; 8:45 am]

BILLING CODE 4310–JB–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Settlement Agreement Under Comprehensive Environmental Response, Compensation and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that a proposed Settlement Agreement in *In re Joy Technologies, Inc.* (d/b/a Joy Mining Machinery), C.A. No. 99–2194 (Bnkr. Ct. Del.), was lodged on February 21, 2001, with the United States Bankruptcy Court for the District of Delaware. The Settlement Agreement resolves the United States' claims against Joy Technologies, Inc. (d/b/a Joy Mining Machinery) (''Joy'') with respect to past response costs incurred and future costs to be incurred, pursuant to Section 107 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9607, in connection with the clean-up of the Route 52 Site, Bluefield, Mercer County, West Virginia. The Settlement Agreement also resolves the United States' claims for civil penalties, pursuant to section 106(b) of CERCLA, 42 U.S.C. 9606(b), and punitive damages, pursuant to section 107(c)(3) of CERCLA, 42 U.S.C. 9607(c)(3).

Under the Settlement Agreement, Joy has agreed to give EPA, a general unsecured creditor, an allowed claim in the amount of $7,000,000.00, plus interest, in reimbursement of response costs incurred in connection with the Site. Joy will pay the allowed claim on the same basis as its pays the allowed claims of all other unsecured creditors. In addition, Joy has agreed to pay the United States $1,500,000.00 to resolve the United States' claims pursuant to section 106(b) and 107(c)(3) of CERCLA, 42 U.S.C. 9606(b), 9607(c)(3). The latter amount will be paid within 78 months from the date the Bankruptcy Court approves the plan of reorganization for Harnischfeger Industries Incorporated and the other debtors, including Joy, involved in Bankruptcy Case Number 99–2177 (Jointly Administered), pending in the District of Delaware.

The Department of Justice will receive, for a period of 30 days from the date of this publication, comments relating to the proposed Settlement Agreement. 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 *In re Joy Technologies, Inc.* (d/b/a Joy Mining Machinery), DOJ Reference No. 90–11–2–207/6.

The proposed Settlement Agreement may be examined at the Office of the United States Attorney, Chemical Bank Plaza, 1201 Market Street, Suite 1100, Wilmington, Delaware 19899; and the Region III Office of the Environmental Protection Agency, 1650 Arch Street, Philadelphia, Pennsylvania 19103. A copy of the proposed Settlement Agreement may be obtained by mail from the Department of Justice Consent Decree Library, P.O. Box 7611, Washington, DC 20044. In requesting a copy, please refer to the referenced case and enclose a check in the amount of $3.25 (.25 cents per page production costs), payable to the Consent Decree Library.

Robert D. Brook,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 01–4741 Filed 2–26–01; 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 (''CERCLA'')

Consistent with Departmental policy, 28 CFR 50.7, and under section 122(d) of CERCLA, 42 U.S.C. 9622(d), notice is hereby given that a proposed consent decree in *United States* v. *Livingston, et al.,* Civ. No. 97–4770 (WGB), was lodged on February 13, 2001 with the United States District Court for the District of New Jersey. The Consent Decree concerns hazardous waste contamination at the Brook Industrial Park Superfund Site (the ''Site''), located in Bound Brook, Somerset County, New Jersey. The Consent Decree would resolve the liability for reimbursement of response costs incurred and to be incurred by the United States in connection with the Site as to three remaining defendants in this action against whom the United States filed a compliant on behalf of the Untied States Environmental Protection Agency (''EPA''). Also participating in the proposed consent decree are third-party defendants Fireman's Fund Insurance Co. and New Jersey Property-Liability Insurance Guaranty Association. The Consent Decree requires the settling parties to reimburse the EPA Hazardous Substance Superfund a total of $1.06 million, plus interest.

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, Environment and Natural Resource Division, P.O. Box 7611, U.S. Department of Justice, Washington, DC 20044–7611, and should refer to *United States* v. *Livingston, et al.,* DOJ Ref. #90–11–2–1287.

The proposed consent decree may be examined at the office of the United States Attorney for the District of New Jersey, 970 Broad Street, Newark, New Jersey 07102 (contact Assistant Untied States Attorney Susan C. Cassell); and the Region II Office of the Environmental Protection Agency, 290 Broadway, New York, New York, 10007–1866 (contact Assistant Regional Counsel Muthu S. Sundram). A copy of the proposed consent decree may be obtained by mail from the Consent Decree Library, P.O. Box 7611, Washington, DC 20044–7611. In requesting a copy please refer to the referenced case and enclose a check in the amount of $5.25 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Ronald G. Gluck,

Assistant Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 01–4700 Filed 2–26–01; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Antitrust Division

Clear Channel Communications, Inc., and AMFM Inc. Merger Settlement

Proposed Final Judgment and Competitive Impact Statement in *United States* v. *Clear Channel Communications, Inc., and AMFM Inc.,* Civ. Action No. 1:00CV02063.

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. §§ 16(b)–(h), that a proposed Final Judgment, Stipulation and Order, and Competitive Impact Statement have been filed with the United States District Court for the District of Columbia, in *United States* versus *Clear Channel Communications, Inc., and AMFM Inc.,* Civ. Action No. 1:00CV02063 (Thomas Penfield Jackson, J.).

On August 29, 2000, the United States filed a Complaint alleging that the effect of the merger of Clear Channel Communications, Inc. and AMFM Inc. may be to lessen competition substantially in the sale of radio advertising time and out-of-home advertising in several local markets in the United States in violation of Section

7 of the Clayton Act, as amended, 15 U.S.C. 18.

The proposed Final Judgment, also filed on August 29, 2000, requires Defendants to divest 14 radio stations in five markets: Allentown-Bethlehem, PA; Denver, CO; Harrisburg-Lebanon-Carlisle, PA; Houston-Galveston, TX; and Pensacola, FL, to preserve competition in the sale of radio advertising time in these markets. In addition, the proposed Final Judgment requires the Defendants to divest the approximate 28.6 percent equity interest in Lamar Advertising Company that Clear Channel acquired as a result of the merger in order to maintain effective and viable competition in the sale of out-of-home advertising in various markets in the United States. A Competitive Impact Statement filed by the United States on November 15, 2000, describes the Complaint, the proposed Final Judgment, and the remedies available to private litigants who may have been injured by the alleged violations.

Copies of the Complaint, proposed Final Judgment, Stipulation and Order, and Competitive Impact Statement are available for inspection at the U.S. Department of Justice, Antitrust Division, 325 Seventh Street, NW., Room 325, Washington, DC 20530, and at the Clerk's Office of the United States District Court for the District of Columbia.

Public comment is invited with the statutory 60-day comment period. Such comments and responses thereto will be published in the **Federal Register** and filed with the Court. Comments should be directed to: J. Robert Kramer, II, Chief, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H Street, NW., Suite 3000, Washington, DC 20530 (telephone: (202) 307–0924).

Constance K. Robinson,

Director of Operations & Merger Enforcement.

United States District Court for the District of Columbia

United States of America, Plaintiff, v. Clear Channel Communications, Inc. and AMFM Inc., Defendants

[Civil Action No.: 1:00CV02063]

Judge: Thomas Penfield Jackson.
Filed: August 29, 2000.

Stipulation and Order

It is stipulated by and between the undersigned parties, by their respective attorneys, as follows:

1. The Court has jurisdiction over the subject matter of this action and over each of the parties hereto, and venue of this action is proper in the United States District Court for the District of Columbia.

2. The parties stipulate that a Final Judgment in the form attached hereto may be filed with and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. 16), and without further notice to any party or other proceedings, provided that the United States has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court.

3. The defendants shall abide by and comply with the provisions of the proposed Final Judgment entry of the Final Judgment by the Court, or until expiration of time for all appeals of any Court ruling declining entry of the proposed Final Judgment, and shall, from the date of the signing of this Stipulation and Order by the parties, comply with all the terms and provisions of the proposed Final Judgment as though the same were in full force and effect as an order of the Court.

4. The parties recognize that there could be a delay in obtaining approval by or ruling of a government agency related to the divestitures required by Section IV of the Final Judgment, notwithstanding the good faith efforts of the defendants and any prospective Acquirer, as defined in the Final Judgment. In this circumstance, plaintiff will, in the exercise of its sole discretion, acting in good faith, give special consideration to forbearing from applying for the appointment of a trustee pursuant to Section VII(A) of the Final Judgment, or from pursuing legal remedies available to it as a result of such delay, provided that: (1) Defendants have entered into one or more definitive agreements to divest the relevant Radio Assets, as defined in the Final Judgment, and such agreements and the Acquirer have been approved by the United States; (ii) all papers necessary to secure any governmental approvals and/or rulings to effectuate such divestitures (including but not limited to FCC, SEC and IRS approvals or rulings) have been filed with the appropriate agency; (iii) receipt of such approvals are only closing conditions that have not been satisfied or waived; and (iv) defendants have demonstrated that neither they nor the prospective Acquirer or Acquirers are responsible for such delay.

5. In the event that (I) the United States withdraws its consent, as provided in paragraph 2 above, or (ii) the proposed Final Judgment is not entered pursuant to Stipulation and Order, the time has expired for all appeals of any Court ruling declining entry of the proposed Final Judgment, and this Court has not otherwise ordered continued compliance with the terms and provisions of the proposed Final Judgment, then the parties are released from all further obligations under the Stipulation and Order, and the making of this Stipulation and Order shall be without evidentiary prejudice to any party in this or any other proceeding.

6. This Stipulation and Order shall apply with equal force and effect to any amended proposed Final Judgment agreed upon in writing by the parties and submitted to the Court.

7. Defendants represent that the divestitures ordered in the proposed Final Judgment can and will be made, and that defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained therein.

Dated: August 29, 2000.

For Plaintiff United States:

John C. Filippini (165159)
Allen P. Grunes, Rex Fujichaku, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H Street, NW., Suite 3000, Washington, DC 20005, (202) 307–5782.

For Defendant Clear Channel Communications, Inc.:

Charles E. Biggio,
Akin, Gump, Strauss, Hauer & Feld, 590 Madison Avenue—20th Floor, New York, NY 10022, (212) 872–1010.
Phillip A. Proger,
Jones, Day, Reavis & Pogue, 51 Louisiana Avenue, NW., Washington, DC 20001–2113, (202) 879–4668.

For Defendant AMFM Inc.:

Neil W. Imus,
Vinson & Elkins, The Willard Office Building, 1455 Pennsylvania Avenue, NW., Washington, DC 20004–1008, (202) 639–6675.

Order

It Is So Ordered by this Court, this _____ Day of August, 2000.

_____
United States District Judge

Final Judgment

Whereas, plaintiff, United States of America, filed its Complaint on August 29, 2000, plaintiff and defendants, Clear Channel Communications, Inc. (''Clear Channel'') and AMFM Inc. (''AMFM''), by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without

this Final Judgment constituting any evidence against or admission by any party regarding any issue of fact or law;

And Whereas, defendants agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

And Whereas, the essence of this Final Judgment is the prompt and certain divestiture of certain rights or assets by the defendants to assure that competition is not substantially lessened;

And Whereas, plaintiff requires defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

And Whereas, defendants have represented to the United States that the divestitures required below can and will be made and that defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

Now, Therefore, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is *Ordered, Adjudged, and Decreed:*

I. Jurisdiction

This Court has jurisdiction over the subject matter of and each of the parties to this action. The Complaint states a claim upon which relief may be granted against defendants under section 7 of the Clayton Act, as amended (15 U.S.C. 18).

II. Definitions

As used in this Final Judgment:

A. ''Clear Channel'' means defendant Clear Channel Communications, Inc., a Texas corporation with its headquarters in San Antonio, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

B. ''AMFM'' means defendants AMFM Inc., a Delaware corporation with its headquarters in Austin, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

C. ''Lamar'' means Lamar Advertising Company, a Delaware corporation with its principal place of business in Baton Rouge, Louisiana, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

D. ''Divestiture Assets'' means Radio Assets and Lamar Holdings.

E. ''Radio Assets'' means all of the assets, tangible or intangible, used in the operation of each of the radio stations listed in Schedule A attached hereto, including all real property (owned or leased) used in the operation of the station, all broadcast equipment, office equipment, office furniture, fixtures, materials, supplies, and other tangible property used in the operation of the station; all licenses, permits, authorities, and applications therefor issued by the Federal Communications Commission (''FCC'') and other government agencies related to the station; all contracts (including programming contracts and rights), agreements, leases and commitments of Clear Channel or AMFM relating to its operation; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials, and promotional materials relating to the station; and all logs and other records maintained by Clear Channel or AMFM or that station in connection with its business.

F. ''Lamar Holdings'' means the 26,227,273 shares of Lamar Advertising Company's Class A stock owned by AMFM when the Complaint in this matter was filed to be acquired by Clear Channel in its merger with AMFM.

G. ''Divestiture Cities'' means the Metropolitan Survey Areas defined as ''Arbitron Markets'' in the *BIA Investing In Radio Market Report 2000 (2d edition)* set forth in Schedule B attached hereto.

H. ''Acquirer'' means the entity or entities to whom defendants divest any Divestiture Assets.

III. Applicability

A. This Final Judgment applies to Clear Channel and AMFM, as defined above, and all other persons in active concert or participation with either of them who receive actual notice of this Final Judgment by personal service or otherwise.

B. Defendants shall require, as a condition of the sale or other disposition of all or substantially all of their assets or of lesser business units that include any of the Divestiture Assets, that the acquiring party or parties agree to be bound by the provisions of this Final Judgment.

IV. Divestiture of Radio Assets

A. Defendants are ordered and directed, within one hundred and fifty (150) days after the filing of the Complaint in this matter, or five (5) days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Radio Assets in a manner consistent with this Final Judgment to an Acquirer or Acquirers acceptable to the United States in its sole discretion. The United States, in its sole discretion, may agree to an extension of this time period of up to two thirty (30) day time periods, not to exceed sixty (60) calendar days in total, and shall notify the Court in such circumstances. Defendants agree to use their best efforts to divest the Radio Assets, and to obtain all regulatory approvals necessary for such divestitures, as expeditiously as possible.

B. In accomplishing the divestitures of the Radio Assets ordered by the Final Judgment, defendants promptly shall make known, by usual and customary means, the availability of the Radio Assets. Defendants shall inform any person making an inquiry regarding a possible purchase of the Radio Assets that the sale is being made pursuant to this Final Judgment and provide each person with a copy of this Final Judgment. Defendants shall offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all information and documents regarding the Radio Assets customarily provided in a due diligence process, except such information or documents subject to the attorney-client or work product privileges. Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

C. Defendants shall provide the Acquirer(s) and the United States information relating to the personnel involved in the operation of the Radio Assets to enable the Acquirer(s) to make offers of employment. Defendants will not interfere with any negotiations by the Aquirer(s) to employ any defendant employee whose primary responsibility relates to the operation of the Radio Assets.

D. Defendants shall permit prospective Acquirers of the Radio Assets to have reasonable access to personnel and to make inspections of the physical facilities of the radio stations to be divested; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

E. Defendants shall warrant to any and all Acquirers of the Radio Assets that each asset will be operational on the date of sale.

F. Defendants shall not take any action that will impede in any way the

permitting, operation, or divestiture of the Radio Assets.

G. Defendants shall warrant to the Acquirer(s) of the Radio Assets that there are no material defects in the environmental, zoning or other permits pertaining to the operation of each asset, and that following the sale of the Radio Assets, defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning or other permits relating to the operation of the Radio Assets.

H. Unless the United States otherwise consents in writing, the divestitures pursuant to Section IV, or by trustee appointed pursuant to Section VIII(A) and IX, of this Final Judgment, shall include the entire Radio Assets, and shall be accomplished in such a way to satisfy the United States, in its sole discretion, that the Radio Assets can and will be used by the Acquirer(s) as part of a viable, ongoing commercial radio broadcasting business. Divestiture of the Radio Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the divestiture assets will remain viable and the divestiture of such assets will remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to Section IV or IX of this Final Judgment.

(i) Shall be made to an Acquirer (or Acquirers) that, in the United State's sole judgment, has the intent and capability (including the necessary managerial, operational, and financial capability) of competing effectively in the commercial radio broadcasting business in the Divestiture Cities; and

(ii) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer or Acquirers and Clear Channel or AMFM give Clear Channel or AMFM the ability unreasonably to raise the Acquirer's costs, to lower the Acquirer's efficiency, or otherwise to interfere in the ability of the Acquirer to compete effectively.

V. Preservation of Radio Assets/Hold Separate

Until the divestiture of all the Radio Assets required by this Final Judgment have been accomplished:

A. Defendants shall preserve, hold and continue to operate the Radio Assets as separate, independent, ongoing, economically viable and active competitors to the other stations in the Divestiture Cities, with their assets, management and operations separate, distinct and apart from defendants' other radio stations. Except as necessary to comply with Sections V(B) and (D) of this Final Judgment, the management of said stations, including the performance of decision-making functions regarding marketing and pricing, will be kept separate and apart from, and not influenced by, defendant Clear Channel in the case of AMFM stations, and defendant AMFM in the case of Clear Channel stations. The books, records, and competitively sensitive sales, marketing and pricing information associated with the divestiture assets shall be kept separate and apart from defendants' other business.

B. Defendants shall use all reasonable efforts to maintain and increase sales of advertising time by the Radio Assets and shall maintain at 1999 or previously approved levels for 2000, whichever are higher, promotional, advertising, sales, marketing and merchandising support for such Radio Assets.

C. Defendants shall provide sufficient working capital to maintain the Radio Assets as economically viable and competitive ongoing businesses.

D. Defendants shall take all steps necessary to ensure that the Radio Assets are fully maintained in operable condition and shall maintain and adhere to normal repair and maintenance schedules for the Radio Assets.

E. Defendants shall not, except as part of a divestiture approved by the United States in accordance with the terms of this Final Judgment, remove, sell, lease, assign, transfer, license, pledge for collateral or otherwise dispose of any of the Radio Assets.

F. Defendants shall maintain, in accordance with sound accounting principles, separate, accurate and complete financial ledgers, books and records that report on a periodic basis (such as the last business day of every month), consistent with past practices, the assets, liabilities, expenses, revenues and income of the Radio Assets.

G. Defendants' employees with primary responsibility for sales, marketing and programming of the Radio Assets to be divested pursuant to this Final Judgment shall not be transferred or reassigned to any other station, except for transfer bids initiated by employees pursuant to each defendant's regular, established job posting policies. Defendants shall provide the United States with ten (10) days' notice of such transfer.

H. Defendants shall appoint a person or persons to oversee the Radio Assets who will be responsible for defendants' compliance with this section. Such person shall have complete managerial responsibility for the Radio Assets, subject to the provisions of this Final Judgment. In the event that individual is unable to perform his or her duties, defendants shall appoint, subject to the approval of the United States, a replacement within ten (10) working days. Should defendants fail to appoint a replacement acceptable to the United States within this time period, the United States shall appoint a replacement.

VI. Divestiture of the Lamar Holdings

A. Defendants are ordered and directed to divest completely the Lamar Holdings on or before December 31, 2002, in a manner consistent with this Final Judgment. A divestiture is not considered complete until the Acquirer(s) takes ownership and possession of all rights and interests held by Clean Channel in the relevant portion of the Lamar Holdings and Clear Channel has irrevocably relinquished to the Acquirer ownership and possession of, and all rights and interests in, the relevant portion of the Lamar Holdings.

B. The divestitures required by this Section may be made by public offering, private sale, or a combination thereof. Such divestitures, whether pursuant to Sections VI or IX shall not be made: (i) To any person who provides outdoor advertising services unless the United States shall otherwise agree in writing; or (ii) in a manner that, in the sole judgment of the United States, could significantly impair Lamar as an effective competitor in the sale of outdoor advertising.

C. In accomplishing the divestitures ordered by this Final Judgment, defendants shall make known the availability of the Lamar Holdings by usual and customary means, consistent with state and federal securities laws and in sufficient time so as to allow the divestitures to be completed within the time periods specified in Section VI(A) above. Defendants shall inform any person making an inquiry regarding the purchase of the Lamar Holdings that they are being divested pursuant to this Final Judgment. Defendants shall permit prospective Acquirer(s) in a private sale access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process, except such information or documents subject to the attorney-client or work product privileges. Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

VII. Lamar Governance and Economic Interest

A. Defendants shall abide by the First Amendment to Stockholders Agreement between Lamar, AMFM, and the controlling shareholders of Lamar

(''First Amendment to Stockholders Agreement'') and the Amended And Restated Registration Rights Agreement between Lamar, AMFM, and Clear Channel (''Amended And Restated Registration Rights Agreement''), attached hereto as Schedules C and D, respectively. No amendment or revision of the Amendment to Stockholders Agreement or Amended And Restated Registration Rights Agreement shall become effective unless approved in writing by a representative of the United States.

B. Until the divestiture of the Lamar Holdings required by the Final Judgment has been completed, defendants shall treat the Lamar Holdings as a passive investment, and shall hold the Lamar Holdings separate and apart from the activities and interests of Clear Channel. Neither the defendants nor their designees may exercise any rights relating to the governance of Lamar, including but not limited to: (i) Exercising any voting rights associated with the Lamar holdings in a manner inconsistent with the First Amendment to Stockholders Agreement; (ii) electing, nominating, appointing or otherwise designating or participating as officers or directors; (iii) participating, as a member of the Board of Directors or otherwise, in any meetings of the Board of Directors; (iv) participating in any committees; (v) exercising any veto rights with respect to the business of Lamar, including veto power over changes in control of Lamar, over significant asset purchases or sales, over change in majority of board membership, or over changes in majority ownership of Lamar; or (vi) obtaining any financial or business information with respect to Lamar that is not otherwise publicly available. In no event shall defendants influence or attempt to influence the decision-making, management, or policies of Lamar.

C. Within two (2) business days after Clear Channel acquires AMFM, Thomas O. Hicks and R. Steven Hicks shall resign from the Board of Directors of Lamar and from any committees of the Board of Directors.

D. Except as necessary to carry out the provisions of this Final Judgment, the trustee shall not exercise any voting rights associated with the Lamar Holdings for so long as they are held in trust in a manner inconsistent with the First Amendment to Stockholders Agreement.

E. Defendants shall not acquire, directly or indirectly, additional shares of Lamar Advertising Company stock, except pursuant to a stock split, stock dividend, rights offering, recapitalization, reclassification, or merger, consolidation, corporate reorganization, or other similar transaction hat does not increase defendants' proportion of the outstanding equity of Lamar. Any additional equity of Lamar that defendants acquire by such means shall be treated as part of the Lamar Holdings and be subject to the divestiture obligations of Section VI(A) of this Final Judgment. Notwithstanding anything to the contrary contained in this Final Judgment, nothing in this Final Judgment shall prohibit a transaction in which Clear Channel would acquire a majority of the voting securities of Lamar, provided that such transaction is subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. 18a.

F. Defendants shall appoint a person or persons to oversee the Lamar Holdings who will be responsible for defendants' compliance with this section. In the event that individual is unable to perform his or her duties, defendants shall appoint, subject to the approval of the United States, a replacement within ten (10) working days. Should defendants fail to appoint a replacement acceptable to the United States within this time period, the United States shall appoint a replacement.

G. Defendants shall not take any action that will impede in any way the divestiture of the Lamar Holdings.

VIII. Appointment of Trustees

A. *Appointment of a Trustee to Divest Radio Assets:* If defendants have not divested the Radio Assets within the time period specified in Section IV(A) of this Final Judgment, defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a trustee selected by the United States (''Radio Trustee'') to effect the divestiture of the Radio Assets.

B. *Appointment of a Trustee to Divest Lamar Holdings:* Clear Channel shall notify the United States, no less than sixty (60) calendar days prior to the expiration of the time period for divestiture specified in Section VI(A) of this Final Judgment, whether it has arranged to complete the divestiture of the Lamar Holdings in a timely fashion. In the event that Clear Channel has not made an arrangement which, in the sole discretion of the United States, will result in completion of the divestiture within the time limit specified in Section VI(A), or in the event that Clear Channel has not completed the divestiture within the appropriate time limit, the Court shall appoint, upon application of the United States, a trustee selected by the United States to effect the divestiture of the Lamar Holdings (''Lamar Stock Trustee''). The United States may request, and the Court may appoint, a trustee before the time period for divestiture specified in Section VI(A) expires.

IX. General Powers and Duties of the Trustees

The following provisions apply to the Radio Trustee and the Lamar Stock Trustee:

A. After the appointment of a trustee becomes effective, only that trustee shall have the right to sell the Divestiture Assets. The trustee(s) shall have the power and authority to accomplish the divestitures to an Acquirer(s) acceptable to the United States at such price and on such terms as are then obtainable upon the best reasonable effort by the trustee(s), subject to the provisions of Sections IV, VI, IX, and X of this Final Judgment, and shall have such other powers as the Court shall deem appropriate. Subject to Section IX(C) of this Final Judgment, the trustee(s) may hire at the cost and expense of defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestitures.

B. Defendants shall not object to a sale by the trustee(s) on any grounds other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to the United States and the trustee within ten (10) calendar days after the trustee has provided the notice required under Section X.

C. The trustee(s) shall serve at the cost and expense of defendants, on such terms and conditions as the United States approves, and shall account for all monies derived from the sale of the assets sold by the trustee(s) and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee(s), all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of the trustee(s) and any professionals and agents retained by the trustee(s) shall be reasonable in light of the value of the Divestiture Assets and based on a fee arrangement providing the trustee(s) with incentives based on the price and terms of the divestitures and the speed with which they are accomplished, but timeliness is paramount.

D. Defendants shall use their best efforts to assist the trustee(s) in

accomplishing the required divestitures. The trustee(s) and any consultants, accountants, attorneys, and other persons retained by the trustee(s) shall have full and complete access to the personnel, books, records, and facilities related to any of the Divestiture Assets. Defendants shall develop financial and other information relevant to the Divestiture Assets as the trustee(s) may reasonably request, subject to reasonable protection for trade secret or other confidential research, development or commercial information. Defendants shall take no action to interfere with or to impede the trustee's accomplishment of the divestitures.

E. After his or her appointment becomes effective, the trustee(s) shall file monthly reports with the United States and the Court, setting forth the trustee's efforts to accomplish the divestitures ordered under this Final Judgment. To the extent that such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The trustee(s) shall maintain full records of all efforts made to divest the Divestiture Assets.

F. If the trustee(s) has not accomplished such divestitures within six (6) months after his or her appointment, the trustee(s) shall promptly file with the Court a report setting forth: (i) The trustee's efforts to accomplish the required divestitures, (ii) the reasons, in the trustee's judgment, why the required divestitures have not been accomplished, and (iii) the trustee's recommendations. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee at the same time shall furnish such reports to the United States, who shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it deems appropriate to carry out the purpose of this Final Judgment, which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by the United States.

X. Notice of Proposed Divestitures of Radio Assets

A. Within two (2) business days following execution of a definitive agreement, defendants or the Radio Trustee, whichever is then responsible for effecting the divestiture of the Radio Assets required herein, shall notify the United States of any proposed divestiture required by Section IV or IX of this Final Judgment. If the Radio Trustee is responsible, it shall similarly notify defendants. The notice shall set forth the details of the proposed transaction and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Radio Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from defendants, the proposed Acquirer or Acquirers, any other third party, or the Radio Trustee if applicable, additional information concerning the proposed divestiture, the proposed Acquirer or Acquirers, and any other potential Acquirer. Defendants and the Radio Trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from defendants, the proposed Acquirer or Acquirers, any third party, and the Radio Trustee, whichever is later, the United States shall provide written notice to defendants and the Radio Trustee, if there is one, stating whether or not it objects to any proposed divestiture. If the United States provides written notice that it does not object, then the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section IX(B) of this Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer or upon objection by the United States, a divestiture proposed under Section IV or IX shall not be consummated. Upon objection by defendants under Section IX(B), a divestiture proposed under Section IX shall not be consummated unless approved by the Court.

XI. Financing

Defendants shall not finance all or any part of any purchase made pursuant to this Final Judgment.

XII. Notification of Future Radio Transactions

A. Clear Channel shall provide advance notification to the United States if it intends, directly or indirectly, to acquire any assets of or any interest (including any financial, security, loan, equity or management interest) in any broadcast radio station that sells advertising time in any of the Divestiture Cities, or intends to enter into any joint sales agreement or any cooperative selling arrangement between a Clear Channel radio station and any other operator of radio stations serving listeners in that same City. This obligation to provide notice is met under this section when a transaction is subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. 18a.

B. Notification under this section shall be provided to the United States in the same format as, and per the instructions relating to, the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations as amended, except that the information requested in Items 5 through 9 of the instructions must be provided only about the sales of radio advertising time in the relevant Divestiture Cities. Notification shall be provided at least thirty (30) days prior to the acquisition of any such interest, and shall include, beyond what may be required by the applicable instructions, the names of the principal representatives of the parties to the agreement who negotiated the agreement, and any management or strategic plans discussing the proposed transaction. If within the 30-day period after notification, representatives of the Department of Justice Antitrust Division make a written request for additional information, defendants shall not consummate the proposed transaction or agreement until twenty (20) days after submitting all such additional information. Early termination of the waiting periods in this paragraph may be requested and, where appropriate, granted in the same manner as is applicable under the requirements and provisions of the HSR Act and rules promulgated thereunder. This Section shall be broadly construed, and any ambiguity or uncertainty regarding the filing of notice under this Section shall be resolved in favor of filing notice.

XIII. Affidavits

A. Within twenty (20) calendar days of the filing of the Complaint and every thirty (30) calendar days thereafter until all the divestitures have been completed, whether pursuant to Section IV, VI, or IX of this Final Judgment, defendants shall deliver to the United States an affidavit as to the fact and manner of their compliance with Sections IV, VI, or IX of this Final Judgment. Each such affidavit shall include the name, address and telephone number of each person who, during the preceding thirty (30) days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contracted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts that Defendants have taken to solicit buyers for the Divestiture Assets and to provide required information to prospective purchasers, including the limitations, if any, on such information.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, defendants shall deliver to the United States an affidavit that describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an on-going basis to comply with Section V of this Final Judgment.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestiture has been completed.

XIV. Compliance Inspection

For the purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon the written request of a duly authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants, be permitted:

(i) Access during defendants' office hours to inspect and copy or, at plaintiff's option, to demand that defendants provide copies of, all books, ledgers, accounts, records and documents in the possession or control of the defendants, who may have counsel present, relating to any matters contained in this Final Judgment; and

(ii) to interview, either informally or on the record, defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the interviewee's reasonable convenience and without restraint or interference by defendants.

B. Upon the written request of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit such written reports, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than a duly authorized representative of the Executive Branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to the United States, defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and defendants mark each pertinent page of such material, ''Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure,'' then the United States shall give defendants ten (10) calendar days' notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

XV. No Reacquisition

Defendants may not reacquire any part of the Divestiture Assets or the assets used in the operation of the radio stations listed in Schedule E during the term of this Final Judgment.

XVI. Retention of Jurisdiction

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify its provisions, to enforce compliance, and to punish violations of its provisions.

XVII. Expiration of Final Judgment

Unless this Court grants an extension, this Final Judgment shall expire ten years from the date of its entry.

XVIII. Public Interest Determination

Entry of this Final Judgment is in the public interest.

Court Approval Subject to Procedures of Antitrust Procedures and Penalties Act, 15 U.S.C. 16.

Date: _____

_____

United States District Judge

Schedule A—Radio Stations Ordered To Be Divested

1. Allentown-Bethlehem, PA
   WEEX–AM
   WODE–FM
2. Denver, CO
   KVOD–AM
3. Harrisburg-Lebanon-Carlisle, PA
   WNCE–FM
   WNNK–FM
   WTCY–AM
   WTPA–FM
4. Houston-Galveston, TX
   KJOJ–AM
   KJOJ–FM
   KQUE–AM
   KSEV–AM
   KTJM–FM
5. Pensacola, FL
   WMEZ–FM
   WXBM–FM

Schedule B—Divestiture Cities

1. Allentown-Bethlehem, PA
2. Denver, CO
3. Harrisburg-Lebanon-Carlisle, PA
4. Houston-Galveston, TX
5. Pensacola, FL

Schedule C—First Amendment to Stockholders Agreement

This Amendment (this ''*Amendment*''), dated as of July 19, 2000, by and among Lamar Advertising Company, a Delaware corporation (including its successors, the ''*Company*''), AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles), a Delaware corporation (''*AMFM Operating*''), AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation), a Delaware corporation (''*AMFM Holdings*''), Clear Channel Communications, Inc., a Texas corporation (''*Clear Channel*''), and The Reilly Family Limited Partnership, a Louisiana limited partnership (''*RFLP*''), constitutes an amendment to the Stockholders Agreement (as defined below).

Witnesseth

Whereas, the Company, AMFM Operating, AMFM Holdings and RFLP are parties to that certain Stockholders Agreement, dated as of September 15, 1999 (the ''*Stockholders Agreement*'');

Whereas, AMFM Holdings has transferred to AMFM Operating all of the Common Stock of the Company held by AMFM Holdings;

Whereas, AMFM, Inc., a Delaware corporation (''AMFM''), is the indirect parent company of AMFM Operating;

Whereas, pursuant to a certain Agreement and Plan of Merger dated October 2, 1999 (the ''*Merger Agreement*''), by and among Clear Channel, CCU Merger Sub, Inc., a

Delaware corporation and wholly-owned subsidiary of Clear Channel (''*Merger Sub*''), and AMFM, Merger Sub will be merged with and into AMFM (the ''*Merger*'') and AMFM Operating will become a wholly-owned indirect subsidiary of clear channel;

Whereas, the company, AMFM Operating, AMFM Holdings, Clear Channel and RFLP desire to amend the Stockholders Agreement in connection with and upon the consummation of the Merger, on the terms and conditions hereinafter set forth.

Now, Therefore, in consideration of the premises and mutual convenants contained herein and in the Stockholders Agreement, and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. *AMENDMENTS.* Upon the consummation of the Merger, the Stockholders Agreement shall be amended as follows:

(A) (i) The following new defined terms shall be added to Section 1.1 of the Stockholders Agreement:

''Business Day'' means any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of Texas and/or the State of Louisiana generally are authorized or required by law or other government actions to close.

''Registration Rights Agreement'' means the Amended and Restated Registration Rights Agreement dated as of July ____, 2000 by and among the Company, AMFM Operating, AMFM Holdings and Clear Channel.

''Selling AMFM Holders'' means AMFM Holders who sell or propose to sell Common Stock or Common Stock Equivalents pursuant to a third-Party Sale.

''Third-Party Sale'' has the meaning ascribed thereto in Section 3.1(a).

''Underwritten Offering'' means an offering (other than a block sale) in which all or part of the Registrable Securities (as defined in the Registration Rights Agreement) or securities convertible into, exchangeable for, or exercisable for Registrable Securities are sold to an underwriter for reoffering pursuant to the Shelf Registration Statement (as defined in the Registration Rights Agreement).

''Voting Stock'' means any Common Stock or Common Stock Equivalents entitled ordinarily, and in the absence of contingencies, to vote for the election of directors of the Company.

(ii) The following defined term shall be substituted in lieu of the existing defined term ''Chancellor Holders'' in Section 1.1 of the Stockholders Agreement (and wherever such term is elsewhere used in the Stockholders Agreement):

''AMFM Holders'' means, collectively, AMFM Operating and any Affiliates of AMFM Operating who then are parties to this Stockholders Agreement and who own any Common Stock or Common Stock Equivalents or any interest therein.

(iii) The following defined term shall be substituted in lieu of the existing defined term ''Common Stock Equivalent'' in Section 1.1 of the Stockholders Agreement (and wherever such term is elsewhere used in the Stockholders Agreement):

''Common Stock Equivalent'' means, without duplication with any other Common Stock or Common Stock Equivalents, any security which is convertible into, exercisable for or exchangeable for, directly or indirectly, Class A Common Stock of the Company, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

(B) The text of the following Sections of the Stockholders Agreement shall be deleted in their entirely and replaced by the words ''Intentionally Omitted'':

Section 2.1.1 Board Representation.
Section 2.1.2 Vacancies.
Section 2.1.3 Committee Representation.
Section 2.1.4 Costs and Expenses.
Section 4.2 Other Significant Transactions.
Section 7.1 Financial Statements.

(C) Article 3 of the Stockholders Agreement shall be deleted in its entirely and the following provisions shall be substituted therefor:

''Article 3—Right To Participate in Certain Dispositions By AMFM Holders; Lock-Up

Section 3.1 *Right to Participate in Certain Dispositions by AMFM Holders.*

(a) Subject to the provisions of this Section 3.1, in the event that any one or more of the AMFM Holders proposes to offer or sell any Common Stock or Common Stock Equivalents for an aggregate offering price of $200 million or more to any Person who is not an Affiliate of the AMFM Holders in a single offering or a series of related offerings (if at the time of the first of such series of related offerings the Selling AMFM Holders know that there will be a series of related offerings to a single purchaser or a affiliated group of purchasers having an aggregate offering price of $200 million or more) (a ''*Third-Party Sale*''), then such Selling AMFM Holders shall give notice in writing to such effect (a ''*Co-Sale Notice*'') to the Company not later than (i) three (3) Business Days before the date of a proposed offer or sale other than an Underwritten Offering or (ii) ten (10) Business Days before the date of a proposed Underwritten Offering. The Co-Sale Notice shall state the number of shares of Common Stock or Common Stock Equivalents that the Selling AMFM Holders intend to sell, the purchase price per share (or the method of calculating such price), and any other material terms and conditions of the proposed offer and sale. Upon receipt of the Co-Sale Notice, the Company shall have the right (the ''*Co-Sale Right*''), exercisable by written notice (an ''*Election Notice*'') to the Selling AMFM Holders given within three (3) Business Days after receipt of the Co-Sale Notice, to elect to include in such Third-Party Sale, additional shares of Common Stock for sale for the Company's account (but not for the account of any other Person), at the price per share (or the method of calculating such price) and on the same terms and conditions specified in the Co-Sale Notice (or at such other price or on such other terms as the Selling AMFM Holders and the Company may agree). Any such election by the Company shall be irrevocable; *Provided, however,* that if the price per share is not specified in the Co-Sale Notice, then the Company shall have the right to revoke the election Notice within one (1) Business Day following the determination of the price (except that the Company shall not have a right to revoke the Election Notice if an estimated price per share is specified in the Co-Sale Notice and the actual price per share is not more than five-percent (5%) greater or more than five percent (5%) less than the estimated price per share specified in the Co-Sale Notice). Failure of the Company to give an Election Notice within such three (3) Business Day period shall be deemed an election by the Company not to participate in the proposed Third-Party Sale.

(b) The number of shares of Common Stock that the Company shall be entitled to sell in a Third-Party Sale shall be determined solely by the Company and shall be set forth in the Election Notice; *provided, however,* that if in the good faith view of the underwriter, placement agent, broker-dealer or other similar person engaged by the Selling AMFM Holders in connection with such offering (or, if no such person has been engaged, of the Board of Directors of the Selling AMFM Holders), the inclusion of all or a part of such additional shares of Common Stock or Common Stock Equivalents in the Third-Party Sale would be likely to have a material adverse effect on the price, timing or distribution of the offering and sale of the Common Stock or Common Stock Equivalents then contemplated by the Selling AMFM Holders, or if the purchaser is not willing to purchase all or a part of such additional shares of Common Stock or Common Stock Equivalents from the Company, then the number of additional shares of Common Stock or Common Stock Equivalents that shall be included in the Third-Party Sale shall be reduced to the number (if any) of such shares that can, in the good faith view of the underwriter, placement agent, broker-dealer or other similar person engaged by the Selling AMFM Holders in connection with such offering (or, if no such person has been engaged, of the Board of Directors of the Selling AMFM Holders), be sold in such Third-Party Sale without so materially adversely affecting such offering and sale, or in the case that the purchaser is not willing to purchase all or a part of such additional shares of Common Stock or Common Stock Equivalents from the Company, reduced to the amount that the purchaser, in its sole discretion, is willing to purchase. Further, if the purchaser or any other Person is granted an option to purchase additional securities of the Company in connection with such Third-Party Sale, then the Company shall be entitled to offer additional shares of Common Stock in full satisfaction of such option, such election to be made in the Company's Election Notice described above.

(c) The Company shall not have any Co-Sale Right involving a block trade, other than as set forth in this Section 3.1(c). In the event that the Selling AMFM Holders engage in a transaction involving a block trade of Common Stock or Common Stock Equivalents, the Selling AMFM Holders will use their reasonable best efforts to give the

Company advance notice of such block trade (a ''*Block Trade Notice*'' and a Co-Sale Right in connection with such block trade, so long as: (i) The Block Trade Notice will not have a material adverse effect on the Selling AMFM Holders' ability to consummate the block trade, and (ii) there is sufficient capacity in the block trade to enable the Company to exercise its Co-Sale Right.

(d) The Company shall not have any Co-Sale Right pursuant to this Section 3.1 in connection with any sale or disposition of Common Stock or Common Stock Equivalents by the Selling AMFM Holders (or their successors or assigns) in a transaction pursuant to Rule 144 under the Securities Act to which the provisions of paragraphs (e) and (f) of Rule 144 are applied.

(e) Upon the Company's election to participate in a Third-Party Sale pursuant to this Section 3.1, and subject to Section 3.1(b), the closing of such sale shall be held at the time and place designated by the Selling AMFM Holders and the proposed purchaser. At the closing of such sale, the Company shall deliver to the purchaser, against payment of the purchase price, the shares of Common Stock or Common Stock Equivalents to be issued and sold by the Company to the purchaser, free and clear of all liens, charges, pledges and other encumbrances.

Section 3.2 *Lock-Up.*

(a) In connection with an Underwritten Offering (including any block trade) by the AMFM Holders of any Common Stock or Common Stock Equivalents having an aggregate offering price of $200 million or more, if the managing underwriters of such offering reasonably request, the Company shall enter into a lock-up or comparable agreement pursuant to which the Company will not sell or otherwise transfer any shares of Common Stock or Common Stock Equivalents for a fixed period of time (the ''*Lock-Up Period*''). The AMFM Holders and the Company shall use reasonable best efforts to cause the underwriters to agree to a Lock-Up Period not to exceed sixty (60) days, but the Company agrees to accept a longer Lock-Up Period to the extend reasonably required by the underwriters, not to exceed ninety (90) days.

(b) In connection with an Underwritten Offering by the Company of any Common Stock or Common Stock Equivalents having an aggregate offering price of $200 million or more, if the managing underwriters of such offering reasonably request, the AMFM Holders shall enter into a lock-up or comparable agreement pursuant to which the AMFM Holders will not sell or otherwise transfer any shares of Common Stock or Common Stock Equivalents during the Lock-Up Period. The Company and the AMFM Holders shall use reasonable best efforts to cause the underwriters to agree to a Lock-Up Period not to exceed sixty (60) days, but the AMFM Holders agree to accept a longer Lock-Up Period to the extent reasonably required by the underwriters, not to exceed ninety (90) days; *provided, however,* that the AMFM Holders (and their successors and assigns) shall not be subject to any lock-up or comparable agreement pursuant to this Section 3.2(b): (i) at any time during the 60-day period commencing on the Effectiveness Date (as defined in the Registration Rights Agreement) or (ii) at any time during the 90-day period preceding December 31, 2002. The foregoing shall not prohibit the transfer of any shares of Common Stock or Common Stock Equivalents during a Lock-Up Period (x) to any Affiliate of the AMFM Holders (so long as such Affiliate is bound by the provisions of this Stockholders Agreement, including the lock-up agreement contemplated by this Section 3.2(b)) or (y) pursuant to a bona fide pledge of such shares to a lender or in connection with a foreclosure (or similar proceeding or remedy) effected with respect to any such pledge (so long as such lender agrees to be bound by the lock-up agreement contemplated by this Section 3.2(b)).

Section 3.3 *Due Diligence.* In connection with any offer or sale by the AMFM Holders of Common Stock or Common Stock Equivalents, if the AMFM Holders so request, the Company shall give the AMFM Holders, a single representative of the proposed purchasers of Common Stock or Common Stock Equivalents, and their respective counsel, accountants, bankers and advisors, reasonable and customary access to the Company's books, records and properties and such opportunities to discuss the business and affairs of the Company with its officers and the independent public accounts who have certified the Company's financial statements; *provided, however,* that (i) the AMFM Holders and any such proposed purchasers shall have entered into a confidentiality agreement reasonably acceptable to the Company which shall include, without limitation, an agreement not to use or disclose to any other person, including any competitor of the Company, any non-public information disclosed as a result of such investigation, and (ii) the AMFM Holders, the representatives of the proposed purchasers and their respective counsel, accountants, bankers and advisors shall use their reasonable best efforts to minimize the disruption to the Company's business and shall to the extent practicable coordinate any such investigation of the Company's books, records and properties any such discussions with the Company's officers and accountants so that all such investigations and discussions occur at the same time.''

(D) Section 4.1 of the Stockholders Agreement shall be deleted in its entirety and the following provisions shall be substituted therefor:

''Section 4.1 *Transactions with Affiliates.* The Company will not, nor will it permit any of its Subsidiaries to, directly or indirectly, enter into or engage in any transaction with or for the benefit of any of its Affiliates (other than transactions between the Company and a wholly owned Subsidiary of the Company or among wholly owned Subsidiaries of the Company), except for any such transaction which is on terms no less favorable than those that might reasonably have been obtained in a comparable transaction on an arm's-length basis from a person that is not an Affiliate. With respect to the requirement set forth in the immediately preceding sentence, for a transaction or series of related transactions involving a value of $1,000,000 or more, such determination will be made in good faith by a majority of the members of the Company's Board of Directors and a majority of the disinterested members of the Company's Board of Directors, and for a transaction or series of transactions involving a value of $5,000,000 or more, the Company's Board of Directors must receive an opinion from a nationally recognized investment banking firm that such transaction is (or that such series of transactions are) fair, from a financial point of view, to the Company or such Subsidiary, as applicable. Notwithstanding the foregoing, the restrictions set forth in this Section 4.1 shall not apply to reasonable and customary directors' fees, reasonable and customary directors' or officers' indemnification arrangements, or reasonable and customary compensatory arrangements with officers of the Company.''

(E) Section 7.3 of the Stockholders Agreement shall be deleted in its entirety and the following provisions shall be substituted therefor:

''Section 7.3.1 *Voting of AMFM Holders.* The AMFM Holders shall take such action as may be required so that all shares of Voting Stock beneficially owned by them shall be present for quorum purposes, in person or represented by proxy, at any regular or special meeting of stockholders of the Company, and shall vote such shares of Voting Stock at any such meeting of stockholders or in any written consent executed in lieu of such a meeting of stockholders in the same proportion as the vote of all holders of Voting Stock not held by the AMFM Holders that are present, in person or by proxy, at such meeting and voting with respect to any matter. The AMFM Holders hereby grant the Company an irrevocable proxy to vote the shares of Voting Stock beneficially owned by them in accordance with the provision of this Section 7.3.1. The provisions of this Section 7.3.1 shall have no further force or effect with respect to any shares of Voting Stock following the disposition of such shares to any Person that is not an Affiliate of the AMFM Holders.

''Section 7.3.2 *Certain Restricted Actions.* Without the consent of the Company's Board of Directors, neither the AMFM Holders nor any of their respective Affiliates shall:

(a) make, or in any way participate in, any ''solicitation'' of ''proxies'', or become a ''participant'' in any ''election contest'' (as such terms are defined in Rule 14a–1 of Regulation 14A promulgated by the Commission pursuant to Section 14 of the Exchange Act, disregarding clause (iv) of Rule 14a–1(l)(2) and including any exempt solicitation pursuant to Rule 14a–2(b)(1) relating to Voting Stock; call, or in any way participate in a call for, any special meeting of the Company's stockholders; request, or take any action to obtain or retain any list of holders of any of the Company's securities; execute any written consent in lieu of a meeting of stockholders for the purpose of acquiring control of the Company; initiate or propose any stockholder proposal or participate in the making of, or solicit stockholders for the approval of, or seek to

advise or influence any other person (who, together with the AMFM Holders or their Affiliates, would constitute a group for purposes of Section 13(d)(3) of the Exchange Act) with respect to voting, on one or more stockholder proposals relating to the Company;

(b) deposit any Voting Stock in a voting trust or subject any Voting Stock to any voting agreement or arrangements (other than as provided herein);

(c) form, join or in any way participate in a group with respect to any Voting Stock (or any securities the ownership of which would cause the owner thereof to Beneficially Own any Voting Stock); or

(d) otherwise act to control the Company or the Company's management, board of directors, policies or affairs including, without limitation: (i) making any offer or proposal to acquire any securities or assets of the Company or any of its affiliates or soliciting or proposing to effect or negotiate any form of business combination, any tender offer or exchange offer for any debt or equity securities of the Company, or any restructuring, recapitalization or other extraordinary transaction involving, or any change in control of, the Company, its affiliates or any of their respective securities or assets or (ii) seeking board representation or the removal of any directors or management or a change in the composition or size of the Company's Board of Directors.

(e) disclose any intention to do any of the foregoing or seek to modify any provision of this Section 7.3.2.

(F) Notices to the parties shall be sent to the addresses listed on the signature pages hereof.

2. *No Other Changes*. Except as specifically set forth herein, the Stockholders Agreement shall remain unmodified and in full force and effect in accordance with its terms.

3. *Governing Law*. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws.

4. *Successors and Assigns*. This Amendment shall be binding upon the parties hereto, and their respective successors and permitted assigns.

5. *Counterparts*. This Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

6. *Severability*. In case any provision in this Amendment shall be held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in affected or impaired thereby.

7. *Entire Agreement*. This Amendment, together with the Stockholders Agreement, as amended hereby, contains the entire agreement among the parties with respect to the subject matter hereof and, upon the effectiveness of this Amendment in accordance with Section 9, shall supersede all prior agreements and understandings with respect to such subject matter, including, without limitation, the letter agreement dated as of June 1, 2000 among the Company, AMFM and Clear Channel.

8. *Execution: Amendments*. This Amendment is executed by the parties pursuant to the provisions of Section 7.8.2 of the Stockholders Agreement. Any provision of this Amendment may be amended or waived if, but only if such amendment or waiver is in writing and is signed by the Company, the Holders holding at least a majority of the Fully-Diluted Common Stock held by all Holders and the Majority AMFM Holders.

9. *Effective Date: Consummation of Merger*. The terms and conditions of this Amendment shall become effective and enforceable only upon the consummation of the Merger. In the event that the Merger has not been consummated on or before March 31, 2001, or if the Merger Agreement is terminated prior to March 31, 2001 then, unless the parties hereto mutually agree to an extension hereof, this Amendment shall be null and void and the Original Agreement shall continue in accordance with its terms as if this Amendment had not been executed and delivered.

10. *Guaranty By Clear Channel*. Clear Channel agrees to guaranty the performance of all obligations of the AMFM Holders hereunder.

In Witness Whereof, this Amendment has been duly executed by the parties as of the date first set forth above.

Lamar Advertising Company:

By: _____

Name: Kevin P. Reilly, Jr.
Title: *President & CEO*

Address: 5551 Corporate Boulevard, Baton Rouge, LA 70808, Attention: Kevin P. Reilly, Jr., Fax: (225) 923–0658.

With copies to: Palmer Dodge LLP, One Beacon Street, Boston, MA 02108, Attention: George Ticknor, Esq., Fax: (617) 227–4420.

AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles):

By: _____

Name: William S. Banowsky, Jr.
Title: *Executive Vice President*

Address: 200 East Basse, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 822–2299.

With copies to: Akin, Gump, Strauss, Hauer & Feld, LLP., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224–2035.

AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation):

By: _____

Name: William S. Banowsky, Jr.
Title: *Executive Vice President*

Address: 200 East Basse, San Antonio, TX 78209–3428, Attention: General Counsel, Fax: (210) 832–3428.

With copies to: Akin, Gump, Strauss, Hauer & Feld, LLP., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224–2035.

Clear Channel Communications, Inc.:

By: _____

Name: Juliana Hill
Title: *Senior Vice President—Finance*

Address: 200 East Basse, San Antonio, TX 78209–3428, Attention: General Counsel, Fax: (210) 832–3428.

With copies to: Akin, Gump, Strauss, Hauer & Feld, LLP., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224–2035.

The Reilly Family Limited Partnership:

By: _____

Name: Kevin P. Reilly, Jr.
Title: *Managing Gen. Ptnr.*

Address: c/o Lamar Advertising Company, 5551 Corporate Boulevard, Baton Rouge, LA 70808, Attention: Kevin P. Reilly, Jr., Fax: (225) 923–0658.

With copies to: Palmer Dodge LLP, One Beacon Street, Boston, MA 02108 Attention: George Ticknor, Esq., Fax: (617) 227–4420.

Schedule D—Amended and Restated Registration Rights Agreement

This Amended and Restated Registration Rights Agreement (this ''Agreement''), dated as of July 19, 2000, by and among Lamar Advertising Company, a Delaware corporation (the ''Issuer''), AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles), a Delaware corporation (''AMFM Operating''), AMFM Holdings Inc. (f/k/a/ Chancellor Mezzanine Holdings Corporation), a Delaware corporation (''AMFM Holdings'') and Clear Channel Communications, Inc., a Texas corporation (''Clear Channel'').

Witnesseth

Whereas, the Issuer, AMFM Operating and AMFM Holdings are parties to that certain Registration Rights Agreement dated as of September 15, 1999 (the ''Original Agreement'');

Whereas, AMFM Holdings has transferred to AMFM Operating all of the Issuer's Common Stock held by AMFM Holdings;

Whereas, AMFM Inc., a Delaware corporation (''AMFM''), is the indirect parent company of AMFM Operating;

Whereas, pursuant to a certain Agreement and Plan of Merger dated October 2, 1999 (the ''Merger Agreement''), by and among Clear Channel, CCU Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Clear Channel (''Merger Sub''), and AMFM, Merger Sub will be merged with and into AMFM (the ''Merger''), and AMFM Operating will become a wholly-owned indirect subsidiary of Clear Channel;

Whereas, the Issuer, AMFM Operating, AMFM Holdings and Clear Channel desire to amend and restate the Original Agreement in connection with and upon the consummation of the Merger, on the terms and conditions hereinafter set forth.

Now, Therefore, in consideration of the premises and the mutual covenants contained herein, and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Article 1—Definitions

Section 1.1 *Definitions*. The following terms, and used herein, shall have the following respective meanings:

''Affiliate'' means, with respect to any Person, any Person who, directly or indirectly, controls, is controlled by or is under common control with that Person. For

purposes of this definition, ''control'' when used with respect to any Person means the power to direct the management and policies of such Persons, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

''Business Day'' means any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of Texas and/or the State of Louisiana generally are authorized or required by law or other government actions to close.

''Commission'' means the Securities and Exchange Commission or any successor governmental body or agency.

''Common Stock'' means the Issuer's Class A Common Stock, par value $0.001 per share, and any capital stock into which such Common Stock thereafter may be changed.

''Disadvantageous Condition'' has the meaning ascribed thereto in Section 2.4.

''Effectiveness Date'' means the date on which the Commission declares the Shelf Registration Statement to be effective under the Securities Act, which date shall not occur prior to the consummation of the Merger.

''Effectiveness Period'' has the meaning ascribed thereto in Section 2.1.

''Exchange Act'' means the Securities Exchange Act of 1934, as amended.

''Filing Date'' has the meaning ascribed thereto in Section 2.1.

''Holder'' means (1) AMFM Operating, (ii) any Affiliate of AMFM Operating to whom Registrable Securities shall be transferred and who shall agree to be bound by the terms of this Agreement, and (iii) any successor to any such Person described in clauses (i) and (ii).

''Majority Holders'' means Holders owning Registrable Securities representing a majority of the Registrable Securities then owned by all of the Holders.

''Person'' or ''person'' means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

''Prospectus'' means the prospectus included in the Shelf Registration Statement, as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by the Shelf Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference in such Prospectus.

''Purchase Agreement'' means the Second Amended and Restated Stock Purchase Agreement dated as of August 11, 1999 among Lamar Media Corp. (a wholly-owned subsidiary of the Issuer), AMFM Operating and AMFM Holdings.

''Register'', ''registered'' and ''registration'' shall refer to a registration effected by preparing and filing a registration statement or statements or similar documents in compliance with the Securities Act and pursuant to rule 415 under the Securities Act or any successor rule providing for offering securities on a continuous basis and the declaration or ordering of effectiveness of such registration statement or document by the Commission.

''Registrable Securities'' means, at any time, any shares of Common Stock issued by the Issuer to AMFM Operating and AMFM Holdings pursuant to the Purchase Agreement, and owned by the Holders (or any shares of stock or other securities of the Issuer into which or for which such Common Stock may hereafter be changed, converted or exchanged; any other shares or securities issued by the Issuer to the Holders of such Common Stock; or any such shares of stock or other securities of the Issuer into which or for which such shares are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event); *provided, however*, the Registrable Securities shall not include any shares of Common Stock (i) the sale of which has been registered pursuant to the Shelf Registration Statement and which shares have been sold pursuant to the Shelf Registration Statement or (ii) which have been sold pursuant to Rule 144 under the Securities Act.

''Registration Expenses'' means any and all expenses incident to performance of or compliance with any registration of securities pursuant to Article 2, including, without limitation, (i) all registration and filing fees, (ii) all fees and expenses associated with filings required to be made with the NASD (including, if applicable, the fees and expenses of any ''qualified independent underwriter'' as such term is defined in rule 2720(b)(15) of the NASD Conduct Rules, and of its counsel), as may be required by the rules and regulations of the NASD, (iii) reasonable fees and expenses of compliance with securities or ''blue sky'' laws (including reasonable fees and disbursements of counsel in connection with ''blue sky'' qualifications of the Registrable Securities), (iv) rating agency fees, (v) printing expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with the Depository Trust Company and of printing prospectuses or prospectus supplements if the printing prospectuses or prospectus supplements is requested by a holder of Registrable Securities), (vi) messenger and delivery expenses, (vii) the fees and expenses incurred in connection with any listing of the Registrable Securities, (viii) reasonable fees and expenses of counsel for the Issuer and its independent certified public accountants (including the expenses for any required consents and opinions and of any special audit or ''cold comfort'' letters required by or incident to such performance) and (ix) out-of-pocket expenses of the Issuer incurred in connection with the participation of officers of the Issuer in any marketing activities contemplated by Section 2.6(j); *provided, however,* that in the event the Issuer registers securities pursuant to article 2 on Form S–1, Registration Expenses shall not include the Issuer's costs of: (x) preparing and filing any post-effective amendments to such Form S–1 that the Issuer would not otherwise have had to prepare and file had the issuer registered such securities on Form S–3, and (y) converting the Form S–1 registration statement to a Form S–3 registration statement pursuant to Section 2.9; *provided, further,* that Registration Expenses shall not include Issuer's internal administration expenses and general overhead incurred as a result of efforts by Issuer's employees in connection with any of the foregoing.

''Registration Termination Date'' means December 31, 2002.

''Rule 144'' means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

''Rule 415'' means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

''Securities Act'' means the Securities Act of 1933, as amended.

''Seller Affiliates'' has the meaning ascribed thereto in Section 2.8.

''Selling Holder'' means any Holder who sells Registrable Securities pursuant to the Shelf Registration Statement.

''Shelf Registration Statement'' has the meaning ascribed thereto in Section 2.1, and includes the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference in such registration statement.

''Stockholders Agreement'' means the Stockholders Agreement dated as of September 15, 1999, by and among the Issuer, AMFM Operating, AMFM Holdings and The Reilly Family Limited Partnership, as amended by the First Amendment to Stockholders Agreement dated July __, 2000, by and among the Issuer, AMFM Operating, AMFM Holdings, Clear Channel and The Reilly Family Limited Partnership.

''Underwritten Offering'' means any firmly underwritten offering in which all or part of the Registrable Securities or securities convertible into, exchangeable for, or exercisable for Registrable Securities are sold to an underwriter for reoffering pursuant to the Shelf Registration Statement.

Section 1.2 *Internal References.* Unless the context indicates otherwise, references to Articles, Sections and paragraphs shall refer to the corresponding articles, sections and paragraphs in this Agreement, and references to the parties shall means the parties to this Agreement.

Article 2—Registration Rights

Section 2.1 *Shelf Registration.*

(a) If the Issuer shall not have previously filed the Shelf Registration Statement pursuant to the Original Agreement, then within ten (10) Business Days after the effective date of this Agreement (the ''Filing Date''), the Issuer shall prepare and file with the Commission a Registration Statement (the ''Shelf Registration Statement'') on Form S–3 (or if the Issuer is not then eligible to use Form S–3, then Form S–1) (or any successor forms thereto) which shall cover all of the Registrable Securities for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act. The Issuer (i) except as permitted by Section 3.1 of the

Stockholders Agreement, shall not permit any securities other than the Registrable Securities to be included in the Shelf Registration Statement and (ii) shall use its best efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, and to keep the Shelf Registration Statement continuously effective under the Securities Act until the Registration Termination Date, or such earlier date when all Registrable Securities cease to be Registrable Securities for purposes of this Agreement (the ''Effectiveness Period'').

(b) The Issuer shall (i) not later than three (3) business Days prior to the filing of the Shelf Registration Statement or any related Prospectus or any amendment or supplement thereto, furnish to the Holders, their counsel and any managing underwriters, copies of all such documents proposed to be filed (but excluding for such purpose any documents incorporated by reference into the Shelf Registration Statement or the Prospectus), which documents will be subject to the review of such Holders, their counsel and such managing underwriters, and copies of all ''comment letters'' with respect to any such filed documents received by the Issuer from the Commission and (ii) cause its officers and directors, counsel and independent certified public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to such Holders and such underwriters, to conduct a reasonable investigation within the meaning of the Securities Act. The Issuer shall not file the Shelf Registration Statement or any such Prospectus or any amendments or supplements thereto (but excluding for such purpose documents incorporated by reference therein) to which the Majority Holders, their counsel or any managing underwriters shall reasonably object, and will not request acceleration of the Shelf Registration Statement without prior notice to such counsel. The Issuer shall furnish the Holders and their counsel and any managing underwriters with copies of any documents incorporated by reference into the Shelf Registration Statement or the Prospectus promptly after filing any such document with the Commission. The sections of the Shelf Registration Statement covering information with respect to the Holders, the Holders' beneficial ownership of securities of the Issuer or the Holders' intended method of disposition of Registrable Securities shall conform to the written information provided to the Issuer by each of the Holders specifically for use therein. The provisions of this Section 2.1(b) shall be effective upon the execution hereof (notwithstanding anything contained in Section 3.13 to the contrary) and also shall be applicable to the Required Shelf Registration to be prepared and filed pursuant to Section 2.1 of the Original Agreement, if any.

Section 2.2 *Underwritten Offering.* Upon the election of the Majority Holders, one or more offerings of Registrable Securities pursuant to the Shelf Registration Statement may be effected in the form of an Underwritten Offering. In such event, the underwriters that will administer the offering will be selected by the Holders of a majority of the Registrable Securities included in such offering. No Holder (or the Issuer, as provided in Section 3.1 of the Stockholders Agreement) may participate in any Underwritten Offering hereunder unless such Holder (or the Issuer) (i) agrees to sell its Registrable Securities (or other securities) on the basis provided in any underwriting agreements approved by the Holders of a majority of the Registrable Securities included in such offering and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such arrangements.

Section 2.3 *Inclusion of Common Stock by Issuer.* Except as provided in Section 3.1 of the Stockholders Agreement, the Issuer shall not permit any securities other than the Registrable Securities to be included in the Shelf Registration Statement. If the Issuer elects to include additional shares of Common Stock in an Underwritten Offering pursuant to Section 3.1 of the Stockholders Agreement, then the Holders of the Registrable Securities to be offered in an Underwritten Offering may require that any such additional shares of Common Stock to be included by the Issuer in such offering be sold and issued on the same terms and conditions as the Registrable Securities that are included therein.

Section 2.4 *Certain Delay Rights.* If at any time while the Shelf Registration Statement is effective the Issuer provides written notice to each Holder that in the good faith and reasonable judgment of the Issuer's Board of Directors, it would be materially disadvantageous to the Issuer (because the sale of Registrable Securities covered by such registration statement or the disclosure of information therein or in any related prospectus or prospectus supplement would materially interfere with (i) any acquisition or other material third-party transaction in connection with which a registration of securities under the Securities Act for the Issuer's account is then intended or (ii) the public disclosure of which at the time would be materially prejudicial to the Issuer (a ''Disadvantageous Condition'')) for sales of Registrable Securities thereunder to then be permitted, and setting forth the general reasons for such judgment, the Issuer may refrain from maintaining current the Prospectus contained in the Shelf Registration Statement until such Disadvantageous Condition no longer exists (notice of which the Issuer shall deliver in writing to each Holder on the first date such Disadvantageous Condition no longer exists). With respect to each Holder, upon the receipt by such Holder of any such notice of a Disadvantageous Condition in connection with the Shelf Registration Statement, (x) such Holder shall forthwith discontinue use of the Prospectus under the Shelf Registration Statement and shall suspend sales of Registrable Securities until such Disadvantageous Condition no longer exists and (y) if so directed by the Issuer by notice as aforesaid, such Holder will deliver to the Issuer all copies, other than permanent file copies then in such Holder's possession, of the Prospectus then covering such Registrable Securities at the time of receipt of such notice as aforesaid. Notwithstanding anything else contained in this Agreement, (X) neither the Filing Date nor the Effectiveness Date of the Shelf Registration Statement may be delayed pursuant to this Section 2.4 (Y) there shall be no suspension of sales of Registrable Securities pursuant to this Section 2.4 at any time during the sixty (60) day period commencing on the Effectiveness Date or at any time during the ninety (90) day period preceding the Registration Termination Date, and (Z) the suspension of sales of Registrable Securities pursuant to this Section 2.4 shall not exceed a total of sixty (60) days in the aggregate in any twelve (12) month period.

Section 2.5 *Expenses.* Except as provided herein, the Holders shall pay all Registration Expenses with respect to the Shelf Registration Statement and shall promptly reimburse the Issuer for any such expenses paid by the Issuer upon presentation of reasonably detailed invoices therefor, provided such registration statement becomes effective in accordance with the terms of this Agreement. Notwithstanding the foregoing, if the Issuer shall include in an Underwritten Offering additional shares of Common Stock for the account of the Issuer in accordance with Section 3.1 of the Stockholders Agreement, then (i) the Issuer shall pay (or reimburse the Holders, as applicable) a pro rata share of the Registration Expenses (based on the ratio that the number of additional shares of Common Stock actually sold for the Issuer's account bears to the aggregate number of shares actually sold in the Underwritten Offering), and (ii) the Issuer shall be responsible for all underwriting discounts and commissions, selling or placement agent or broker fees and commissions, and transfer taxes, if any, in connection with any sale of securities by the Issuer.

Section 2.6 *Registration and Qualification.* If and whenever the Issuer is required to effect the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Issuer shall as promptly as practicable:

(a) prepare and file with the Commission such amendments (including post-effective amendments) and supplements to the Shelf Registration Statement and the Prospectus used in connection therewith as may be necessary to keep the Shelf Registration Statement effective, including any amendment or supplement with respect to an Underwritten Offering of Registrable Securities and including any amendment or supplement to reflect any transfer of Registrable Securities to any subsequent Holder (which will have the right to be named as a selling shareholder in the Shelf Registration Statement), at all times during the Effectiveness Period, and, during such period, comply with the provisions of the Securities Act applicable to the Issuer in order to permit the disposition by the Holders of all Registrable Securities;

(b) furnish to the Holders of Registrable Securities and to any underwriter of such Registrable Securities (i) such number of conformed copies of the Shelf Registration Statement and of each such amendment and

supplement thereto (in each case including financial statements and schedules, and all exhibits), (ii) such number of copies of the Prospectus included in the Shelf Registration Statement (including each preliminary prospectus), in conformity with the requirements of the Securities Act, and (iii) such documents incorporated by reference in the Shelf Registration Statement or Prospectus as the Holders of Registrable Securities or such underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Holder or the sale of such securities by such underwriter (it being understood that, subject to Section 2.4 of this Agreement and the requirements of the Securities Act and applicable state securities laws, the Issuer consents to the use of the Prospectus and any amendment or supplement thereto by each Holder of Registrable Securities and any underwriter of such Registrable Securities in connection with the offering and sale of the Registrable Securities covered by the Shelf Registration Statement of which such Prospectus, amendment or supplement is a part);

(c) in the case of any Underwritten Offering, furnish to each Selling Holder and any underwriter of Registrable Securities an opinion of counsel for the Issuer and ''cold comfort'' letters and updates thereof signed by the independent public accountants who have audited the Issuer's financial statements included in the Shelf Registration Statement, in each such case covering substantially such matters with respect to such registration statement (and the prospectus included therein) and the related offering as are customarily covered in opinions of issuer's counsel with respect thereto and in accountants' letters delivered to underwriters in underwritten public offerings of securities, together with any consents required in connection therewith;

(d) promptly notify each Holder and each underwriter of Registrable Securities in writing (i) at any time when a prospectus relating to a registration pursuant to this Agreement is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (ii) of any request by the Commission or any other regulatory body having jurisdiction for any additional information or amendment or supplement to the Shelf Registration Statement or Prospectus, and in either such case, at the request of any Holder or underwriter, promptly prepare and furnish to each Holder and underwriter a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

(e) cause all such Registrable Securities covered by such registration to be listed on the Nasdaq National Market, or if other than the Nasdaq National Market, on the principal securities exchange or automated interdealer quotation system on which the Common Stock is then listed or included for quotation;

(f) cooperate with each Selling Holder and each underwriter participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with the NASD;

(g) subject to Section 2.4 of this Agreement, timely file all documents required to be filed with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act during the period when a prospectus is required to be delivered under the Securities Act;

(h) subject to Section 2.4 of this Agreement, promptly prepare and file with the Commission any amendments or supplements to the Shelf Registration Statement or Prospectus which, in the opinion of the Issuer's counselor managing underwriter, are required in connection with the distribution of the Registrable Securities;

(i) advise each Selling Holder, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of the Shelf Registration Statement or the initiation or threatening of any proceeding for such purpose and promptly use its reasonable best efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued;

(j) use reasonable best efforts to assist the Holders in the marketing of the Registrable Securities in connection with any Underwritten Offering hereunder (including but not limited to using reasonable best efforts to have officers of the Issuer attend ''road shows'' and analyst or investor presentations scheduled in connection with such registration);

(k) make generally available to its security holders as soon as practicable, but not later than ninety (90) days after the close of the period covered thereby, an earning statement (in form complying with the provisions of Rule 158 under the Securities Act) covering a twelve (12) month period beginning not later than the first day of the Issuer's fiscal quarter next following the effective date of the Shelf Registration Statement;

(l) to the extent applicable, use its reasonable best efforts to (i) register and qualify the Registrable Securities under the securities or ''blue sky'' laws of such jurisdiction as any Holder may reasonably request, (ii) prepare and file in those jurisdictions such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof at all times during the Effectiveness Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications and as may be necessary to maintain the effectiveness thereof at all times during the Effectiveness Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale by the Holders in such jurisdictions (provided that the Issuer shall not be required in connection therewith or as a condition thereto to qualify generally to do business or file a general consent to service of process in any jurisdiction where it would not otherwise be required to qualify but for this Section 2.6(l));

(m) cooperate with each Holder and the managing underwriters to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing Registrable Securities sold pursuant to the Shelf Registration Statement or in a transaction pursuant to Rule 144 and enable such certificates to be in such denominations or amounts as any Holder and the managing underwriter may reasonably request and registered in such names as such Holder and the managing underwriters may reasonably request. The Issuer shall give appropriate instructions to the Issuer's transfer agent to cause the transfer agent to deliver certificates representing the Registable Securities without any restrictive legends upon receipt of the Holder's certification that such Registrable Securities have been sold pursuant to the Shelf Registration Statement or in a transaction pursuant to Rule 144 and shall cause the Issuer's legal counsel to deliver to the transfer agent an opinion in customary form as required to remove such restrictive legends provided that such counsel may reasonably require such certifications from Holders; and

(n) within two (2) Business Days after the Shelf Registration Statement is declared effective by the Commission, deliver, and shall cause the Issuer's legal counsel to deliver, to the transfer agent for such Registrable Securities, confirmation that the Shelf Registration Statement has been delivered effective by the Commission.

The Issuer may require each Selling Holder to furnish to the Issuer such information regarding the Selling Holder and the distribution of such Registrable Securities as the Issuer may from time to time reasonably request in writing and such other information as may be legally required in connection with such registration. Each Selling Holder also agrees to notify the Issuer of any event relating to the Selling Holder that occurs that would require the preparation of a supplement or amendment to the Prospectus so that the information furnished or required to be furnished by such Selling Holder that is contained in the Prospectus will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

In no event shall the Issuer be required to amend the Shelf Registration Statement filed after it has become effective or to amend or supplement the Prospectus to permit the continued disposition of shares of Common Stock owned by a Selling Holder registered under the Shelf Registration Statement at any time after the Effectiveness Period.

Each Selling Holder agrees that, upon receipt of any notice from the Issuer of the happening of any event of the kind described in paragraph (d)(i) above, the Selling Holder will forthwith discontinue disposition of Registrable Securities pursuant to the Shelf

Registration Statement until the Selling Holder's receipt of the copies of the supplement or amended prospectus contemplated by paragraph (d) above, and, if so directed by the Issuer, the Selling Holder will deliver to the Issuer (at the Issuer's expense) all copies, other than permanent file copies then in the Selling Holder's possession, of the prospectus covering such Registrable Securities at the time of receipt of such notice.

Section 2.7 *Underwriting; Due Diligence.*

(a) If requested by the underwriters for any Underwritten Offering of Registrable Securities pursuant to this Article 2, the Issuer shall enter into an underwriting agreement with such underwriters for such offering, which agreement will contain such representations and warranties by the Issuer and such other terms and provisions as are customarily contained in underwriting agreements with respect to secondary distributions, and confirm the same if and when requested in accordance with customary practice. If an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures no less favorable to the Selling Holders and the underwriters than those set forth in Section 2.8 of this Agreement (or such other provisions and procedures acceptable to the managing underwriters and Holders of a majority of Registrable Securities participating in such Underwritten Offering).

(b) In connection with the preparation and filing of the Shelf Registration Statement pursuant to this Article 2, the Issuer shall give the Holders of such Registrable Securities and the underwriters, if any, and their respective counsel and accountants, such reasonable and customary access to its books, records and properties and such opportunities to discuss the business and affairs of the Issuer with its officers and the independent public accounts who have certified the financial statements of the Issuer as shall be necessary, in the reasonable opinion of such Holders and such underwriters or their respective counsel, to conduct a reasonable investigation within the meaning of the Securities Act; provided that (i) each Holder and the underwriters and their respective counsel and accountants shall have entered into a confidentiality agreement reasonably acceptable to the Issuer and (ii) the Holders of such Registrable Securities and the underwriters and their respective counsel and accountants shall use their reasonable best efforts to minimize the disruption to the Issuer's business and coordinate any such investigation of the books, records and properties of the Issuer and any such discussions with the Issuer's officers and accountants so that all such investigations occur at the same time and all such discussions occur at the same time.

(c) The Issuer shall be subject to the lock-up provisions contained in Section 3.2 of the Stockholders Agreement.

Section 2.8 *Indemnification.*

(a) The Issuer agrees to indemnify and reimburse, to the fullest extent permitted by law, each Selling Holder, and each Selling Holder's employees, advisors, agents, representatives, partners, officers, and directors and each Person who controls the Selling Holder (within the meaning of the Securities Act or the Exchange Act) (collectively, the ''Seller Affiliates''), and each underwriter, if any, and each person who controls each such underwriter (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities, and expenses, joint or several (including, without limitation, reasonable attorneys' fees and disbursements except as limited by Section 2.8(c) below) based upon, arising out of, related to or resulting from any untrue or allegedly untrue statement of a material fact contained in the Shelf Registration Statement, Prospectus, or preliminary prospectus or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except insofar as the same are made in reliance upon and in conformity with information furnished in writing to the Issuer by such Selling Holder or any Seller Affiliate specifically for use therein or arise from such Selling Holder's or any Seller Affiliate's failure to deliver a copy of the Shelf Registration Statement or Prospectus or any amendments or supplements thereto after the Issuer has furnished such Selling Holder or Seller Affiliate with a sufficient number of copies of the same. The reimbursements required by this Section 2.8(a) will be made by periodic payments during the course of the investigation or defense, as and when bills are received or expenses incurred.

(b) Each Selling Holder will jointly and severally indemnify the Issuer and its directors and officers and each of its employees, advisors, agents, representatives, partners, officers, and directors and each Person who controls the Issuer (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and disbursements except as limited by Section 2.8(c) below) resulting from: (i) any untrue statement or alleged untrue statement of a material fact contained in the Shelf Registration Statement, Prospectus, or any preliminary prospectus or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, but only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission is contained in any information or affidavit so furnished in writing by a Selling Holder or any of its Seller Affiliates specifically for inclusion in the Shelf Registration Statement, Prospectus, preliminary prospectus, amendments or supplements; or (ii) a Selling Holder's or any Seller Affiliate's failure to deliver a copy of the Shelf Registration Statement or Prospectus or any amendments or supplements thereto after the Issuer has furnished the Selling Holder or Seller Affiliate with a sufficient number of copies of the same; *provided, however,* that such liability will be limited to the net amount received by the Selling Holders from the sale of Registrable Securities pursuant to the Shelf Registration Statement; *provided, further,* that the Selling Holders shall not be liable in any such case to the extent that, prior to the filing of the Shelf Registration Statement or Prospectus or amendment thereof or supplement thereto, the Selling Holders furnished in writing to the Issuer information expressly for use in such registration statement or prospectus or any amendment thereof or supplement thereto which corrected or made not misleading information previously furnished to the Issuer.

(c) Any Person entitled to indemnification hereunder will give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give such notice shall not limit the rights of such Person except to the extent such failure prejudiced the indemnifying party) and permit such indemnifying party to assume the defense of such claim; *provided, however,* that any Person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (i) the indemnifying party has agreed to pay such fees or expenses, (ii) the indemnifying party shall have failed to assume the defense of such claim or (iii) in the reasonable opinion of counsel to such indemnified party, a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim. The indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld or delayed). The indemnifying party shall not settle or otherwise compromise the applicable claim unless (A) such settlement or compromise contains a full and unconditional release of the indemnified party or (B) the indemnified party otherwise consents in writing. The indemnifying party will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim unless in the reasonable judgment of any indemnified party, a conflict of interest may exist between the indemnifying party and any indemnified party with respect to such claim, in which event the indemnifying party shall be obligated to pay the reasonable fees and disbursements of one counsel for such indemnified party.

(d) Each party hereto agrees that, if for any reason the indemnification provisions contemplated by Section 2.8(a) or Section 2.8(b) are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, liabilities, or expenses (or actions in respect thereof) in such proportion as is appropriate

to reflect the relative fault of the indemnifying party and the indemnified party in connection with the actions which resulted in the losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.8(d) were determined by pro rata allocation (even if the Selling Holders or any underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 2.8(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or, except as provided in Section 2.8(c) above, defending any such action or claim. Notwithstanding the provisions of this Section 2.8(d), no Holder shall be required to contribute an amount greater than the dollar amount by which the net proceeds received by such Selling Holder with respect to the sale of any Registrable Securities exceeds the amount of damages which such Selling Holder has otherwise been required to pay by reason of such statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Selling Holders' obligations in this Section 2.8(d) to contribute shall be joint and several in proportion to the amount of Registrable Securities registered by them.

If indemnification is available under this Section 2.8, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Section 2.8(a) and Section 2.8(b) without regard to the relative fault of said indemnifying party or indemnified party or any other equitable consideration provided for in this Section 2.8(d) subject, in the case of the Holders, to the limited dollar amounts set forth in Section 2.8(b).

The indemnification and contribution provided for under this Agreement shall be in addition to any liability which any party may otherwise have to any other party and shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, or controlling Person of such indemnified party and will survive the transfer of the Common Stock and the termination of this Agreement.

Section 2.9 *Form S–3 Eligibility; Conversion.* In the event that the Shelf Registration Statement is filed on Form S–1 because the Issuer does not, at the time of such registration, meet the registrant eligibility and transaction requirements for the use of Form S–3 (for secondary offerings), the Issuer shall convert such Form S–1 to a Form S–3 immediately upon its satisfaction of the registrant eligibility and transaction requirements for the use of Form S–3. Upon such conversion, the Issuer shall file all reports required to be filed by the Company with the Commission in a timely manner so as to maintain such eligibility for the use of Form S–3.

Section 2.10 *Rule 144 Reporting.* With a view to making available the benefits of certain rules and regulations of the Commission that may permit the sale of the Registrable Securities to the public without registration, the Issuer agrees to use its reasonable best efforts to:

(a) make any keep public information regarding the Issuer available as those terms are understood and defined in Rule 144 under the Securities Act;

(b) file with the Commission in a timely manner all reports and other documents required of the Issuer under the Securities Act and the Exchange Act; and

(c) furnish to any Holder forthwith upon written request a written statement by the Issuer as to its compliance with the reporting provisions contained in rule 144(c) under the Securities Act, a copy of the most recent annual or quarterly report of the Issuer, and such other reports and documents so filed as any Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to sell any of the Registrable Securities without registration.

The Issuer shall give appropriate instructions to the Issuer's transfer agent to cause the transfer agent to deliver certificates representing the Registrable Securities without any restrictive legends upon receipt of the Holder's certification that such Registrable Securities have been sold pursuant to Rule 144 under the Securities Act. Each Holder shall cause its legal counsel to deliver to the transfer agent for the Registrable Securities an opinion in customary form as may be required to remove such restrictive legends following a sale pursuant to Rule 144.

Article 3—Miscellaneous

Section 3.1 *Entire Agreement.* This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and upon the effectiveness of this Agreement in accordance with Section 3.13, this Agreement shall superside all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, including, without limitation, the Original Agreement and the letter agreement dated as of June 1, 2000 among the Issuer, AMFM and Clear Channel.

Section 3.2 *Successors and Assigns.* The provisions of this Agreement are not assignable to any Person other than another Holder. Whether or not an express assignment has been made, provisions of this Agreement that are for the Holders' benefit as the Holders of any Common Stock are, except as otherwise expressly provided herein, also for the benefit of, and enforceable by, all subsequent Holders of such Common Stock, except as otherwise expressly provided herein. This Agreement shall be binding upon the Issuer, each Holder, and, except as otherwise expressly provided herein, their respective heirs, devisees, successors and permitted assigns.

Section 3.3 *Amendments, Waivers, Etc.* This Agreement may not be amended, changed, supplemented, waived or otherwise modified or terminated, except upon the execution and delivery of a written agreement executed by the Issuer and Holders representing a majority of the Registrable Securities then hold by all Holders.

Section 3.4 *Notices.* All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly received if given) by hand delivery or telecopy, or by any courier service, such as Federal Express, providing proof of delivery. All communications hereunder shall be delivered to the respective parties at the address or telecopy number set forth on the signature pages hereto (unless such contact information in the case of the Holders is updated by written notice from the affected Holder to the Issuer).

Section 3.5 *Remedies.* The Issuer recognizes and agrees that the Holders of Registrable Securities shall not have an adequate remedy at law if the Issuer fails to comply with the provisions of this Agreement, and that damages will not be readily ascertainable, and the Issuer expressly agrees that in the event of such failure any Holder of Registrable Securities shall be entitled to seek specific performance of the Issuer's obligations hereunder.

Section 3.6 *Severability.* Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

Section 3.7 *No waiver.* The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

Section 3.8 *No Third Party Beneficiaries.* Except as expressly provided in Sections 2.8 and 3.2, this Agreement is not intended to be

for the benefit of, and shall not be enforceable by, any Person who or which is not a party hereto; provided, that, this Agreement is also intended to be for the benefit of and is enforceable by each Holder.

Section 3.9 *Several Obligations.* Except as set forth in Section 2.8, the obligations of the Holders herein are several and not joint. No Holder shall be responsible for the performance or failure on the part of any other Holder to perform its obligations.

Section 3.10 *Governing Law.* This agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws.

Section 3.11 *Descriptive Headings.* The descriptive headings used herein are inserted for convenience of referenced only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

Section 3.12 *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

Section 3.13 *Effective Date: Consummation of Merger.* The terms and conditions of this Agreement shall become effective and enforceable only upon the consummation of the Merger. In the event that the Merger has not been consummated on or before March 31, 2001, or if the Merger Agreement is terminated prior to March 31, 2001 then, unless the parties hereto mutually agree to an extension hereof, this Agreement shall be null and void and the Original Agreement shall continue in accordance with its terms as if this Agreement had not been executed and delivered.

Section 3.14 *Guaranty by Clear Channel.* Clear Channel agrees to guaranty the performance of all obligations of the Holders and the Selling Holders hereunder.

In Witness Whereof, the Issuer and the Holders have caused this Agreement to be duly executed as of the day and year first above written.

Issuer: Lamar Advertising Company:

By: _____
Name: Kevin P. Reilley, Jr.
Title: *President & CEO*

Address: 5551 Corporate Boulevard, Baton Rouge, Louisiana 70808, Attention: Keith Istre, Fax: (225) 923–0658.

With copies to: Palmer Dodge LLP, One Beacon Street, Boston, MA 02108, Attention: George Ticknor, Esq., Facsimile: (617) 227–4420.

Holders: AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles):

By: _____
Name: William S. Banowsky, Jr.
Title: *Executive Vice President*

Address: 200 East Basse, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 822–2299.

With copies to: Akin, Gump, Strauss, Hauer & Feld, L.L.P., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224–2035.

AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation):

By: _____
Name: William S. Banowsky, Jr.
Title: *Executive Vice President*

Address: 200 East Basse Road, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 832–3428.

With copies to: Akin, Gump, Strauss, Hauer & Feld, L.L.P., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224–2035.

Clear Channel Communications, Inc.:

By: _____
Name: Juliana Hill,
Title: *Senior Vice President—Finance*

Address: 200 East Basse Road, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 832–3428.

LaMar Advertising Company

5551 Corporate Boulevard, Baton Rouge, LA 70808, July 19, 2000.

By Electronic Mail and Facsimile

AMFM Inc., 1845 Woodall Rogers Freeway, Suite 1300, Dallas, TX 75201.

AMFM Operating Inc., AMFM Holdings Inc., 200 East Basse, San Antonio, TX 78209.

Clear Channel Communications, Inc., 200 Concord Plaza, Suite 600, San Antonio, TX 78216–6940.

Re: Registration Rights Agreement dated as of September 15, 1999.

Ladies and Gentlemen: Reference is made to that certain Registration Rights Agreement dated of September 15, 1999 (the ''Registration Rights Agreement'') among Lamar Advertising Company (the ''Issuer''), a Delaware corporation, Chancellor Media Corporation of Los Angeles (predecessor-in-interest to AMFM Operating Inc., ''AMFM Operating''), a Delaware corporation and Chancellor Mezzanine Holdings Corporation (now known as AMFM Holdings Inc., ''AMFM Holdings''), a Delaware corporation. Subject to the terms and conditions of the Registration Rights Agreement, the Issuer agreed to effect the registration under the Securities Act of the 26,227,273 shares (the ''Lamar Shares'') of Lamar Class A common stock, $0.001 par value per share issued by the Issuer in connection with the acquisition of the capital stock of Chancellor Outdoor Media Corporation and Chancellor Whiteco Outdoor Corporation. AMFM Holdings subsequently transferred the Lamar Shares held by it to AMFM Operating.

Capitalized terms used but not defined herein shall have the respective meanings set forth in the Registration Rights Agreement.

On October 2, 1999, AMFM Inc., (''AMFM''), a Delaware corporation and the parent corporation of AMFM Operating and AMFM Holdings, entered into an agreement and plan of merger (the ''Merger Agreement'') with Clear Channel Communications, Inc., (''Clear Channel''), a Texas corporation contemplating the merger (the ''Merger'') of a wholly-owned subsidiary of Clear Channel with and into AMFM. Following the Merger, AMFM Operating and AMFM Holdings will be indirect wholly-owned subsidiaries of Clear Channel.

This Letter shall terminate and shall be of no further force or effect upon the earlier of (i) the completion of the Merger, (ii) the termination of the Merger Agreement, or (iii) March 31, 2001 (unless the parties mutually agree to extend same).

This Letter shall be executed concurrently with the Amended Registration Rights Agreement and the First Amendment to the Stockholders Agreement.

LaMar Advertising Company:

Kevin P. Reilly, Jr.,
President and Chief Executive Officer.

Accepted and Agreed to:

AMFM Inc., 1845 Woodall Rogers Freeway, Suite 1300, Dallas, TX 75201.

By: William S. Banowsky, Jr.,
Executive Vice President.

AMFM Operating Inc., (f/k/a Chancellor Media Corporation of Los Angeles), 200 East Basse, San Antonio, TX 78209.

By: William S. Banowsky, Jr.,
Executive Vice President.

AMFM Holdings Inc., (f/k/a Chancellor Mezzanine Holdings Corporation), 200 East Basse Road, San Antonio, TX 78209–3428.

By: William S. Banowsky, Jr.,
Executive Vice President.

Clear Channel Communications, Inc., 200 East Basse Road, San Antonio, TX 78209–3428.

By: Juliana Hill,
Senior Vice President—Finance.

Schedule E—Other Radio Stations That Cannot Be Reacquired

1. Denver, CO
   KXPK–FM
   KDJM–FM
   KIMN–FM
   KXKL–FM
   KALC–FM
2. Houston-Galveston, TX
   KKBQ–FM
   KKTL–FM
   KLDE–FM
   KBXX–FM
   KMJQ–FM

Certificate of Service

I, John C. Filippini, of the Antitrust Division of the United States Department of Justice, do hereby certify that true copies of the Complaint For Injunctive Relief, Stipulation and Order, Final Judgment, and United States' Explanation of Consent Decree Procedures in this matter were served this 29th day of August 2000, by United States first-class mail, to the following:

Charles E. Biggio, Akin, Gump, Strauss, Hauer & Feld, 590 Madison Avenue—20th Floor, New York, NY 10022, (212) 872–1010. *Counsel for Clear Channel Communications, Inc.*

Phillip E. Proger, Jones, Day, Reavis & Pogue, 51 Louisiana Avenue, NW., Washington, DC 20001–2113, (202) 879–4668. *Counsel for Clear Channel Communications, Inc.*

Neil W. Imus, Vinson & Elkins, The Willard Office Building, 1455 Pennsylvania Avenue, NW., Washington, DC 20004–1008, (202) 639–6675. *Counsel for AMFM Inc.*

_____
Signed: John C. Filippini

Competitive Impact Statement

The United States, pursuant to section 2(b) of the Antitrust Procedures and Penalties Act (''APPA''), 15 U.S.C. 16(b)–(h), files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

I. Nature and Purpose of the Proceeding

The United States filed a civil antitrust Complaint on August 29, 2000, alleging that the proposed merger between Clear Channel Communications, Inc. (''Clear Channel'') and AMFM Inc. (''AMFM'') would violate section 7 of the Clayton Act, as amended, 15 U.S.C. 18. The Complaint alleges that Clear Channel's and AMFM's $23.8 billion merger would have the effect of lessening competition substantially in the provision of radio advertising time and of out-of-home advertising services in several areas of the United States.

Clear Channel and AMFM are two of the three largest operators of broadcast radio stations in the United States. Clear Channel's and AMFM's radio stations compete head-to-head against one another for the business of local and national companies seeking to advertise on radio stations in many cities throughout the United States, including Allentown, Pennsylvania; Denver, Colorado; Harrisburg, Pennsylvania; Houston, Texas; and Pensacola, Florida.

In addition, Clear Channel, through its subsidiary, Eller Media Company (''Clear Channel/Eller''), is a major provider of out-of-home advertising of various types, including billboards, bulletins and posters. AMFM has an approximately 28.6 percent equity interest in Lamar Advertising Company (''Lamar''), another major provider of out-of-home advertising that competes directly with Clear Channel/Eller. Clear Channel/Eller and Lamar compete vigorously in out-of-home advertising in numerous markets across the country.

The Complaint alleges that Clear Channel and AMFM's merger, unless blocked, would substantially lessen competition and would result in many advertisers paying higher prices for radio advertising time and out-of-home advertising. The prayer for relief seeks: (a) Adjudication that Clear Channel's proposed merger with AMFM would violate section 7 of the Clayton Act; (b) preliminary and permanent injunctive relief preventing the consummation of the proposed merger; (c) an award to the United States of the costs of this action; and (d) such other relief as is just and proper.

Before this suit was filed, the Department of Justice (''Department'') reached an agreement with Clear Channel and AMFM, under which the parties agreed to divest 99 stations in 27 markets to other radio operators approved by the Department in order to preserve competition in those markets. The majority of those stations were to be sold under what is commonly referred to as the ''fix-it-first'' approach utilized by the Department's Antitrust Division, which requires divestiture of certain assets before parties consummate their merger. The remaining stations are to be divested in accordance with the terms of a proposed Final Judgment agreed to by the parties. In addition, the defendants are required to divest completely AMFM's previously held equity interest in Lamar, now held by Clear Channel, under the terms of the proposed Final Judgment.

A Stipulation and proposed Final Judgment were filed simultaneously with the Complaint on August 29, 2000. The United States and defendants have stipulated that the proposed Final Judgment may be entered after compliance with APPA. Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment, and to punish violations thereof.

II. The Alleged Violation

A. The Defendants

Clear Channel, headquartered in San Antonio, Texas, is one of the largest radio broadcast companies in the United States. For 1999, the company reported net television and radio revenues of approximately $1.4 billion. Clear Channel, through its wholly owned subsidiary, Eller Media Company, is also one of the largest providers of out-of-home advertising services (such as billboard advertising) in the United States. In 1999, Clear Channel/Eller reported revenues in excess of $1.25 billion.

AMFM, headquartered in Dallas, Texas, is also one of the largest radio broadcast companies in the United States. For 1999, the company reported radio group net revenues of approximately $1.7 billion. In addition, prior to the merger, AMFM owned approximately 28.6 percent of the total outstanding securities of Lamar, giving it rights to participate in the operation of Lamar, including representation on Lamar's Board of Directors. Lamar provides out-of-home advertising in many markets across the country. In 1999, Lamar had revenues of approximately $444 million.

B. Description of the Events Giving Rise to the Alleged Violation

On October 2, 1999, Clear Channel and AMFM entered into an Agreement and Plan of Merger, worth approximately $23.8 billion, that would create the largest radio broadcast company in the United States and eliminate head-to-head competition between Clear Channel and AMFM in several markets. Attempting to resolve the Department's competitive concerns prior to the filing of the Complaint, Clear Channel and AMFM sold 85 radio stations in 24 markets to buyers approved by the Department. These stations were purchased by buyers who will compete against Clear Channel after the merger, thereby restoring much of the competition that would have been lost as a result of the merger. Clear Channel and AMFM, however, did not sell enough radio stations in the Allentown, Denver, Harrisburg, Houston, and Pensacola Metropolitan Survey Areas (''MSA''),[1] to resolve the Department's concerns.

C. Anticompetitive Consequences of the Proposed Acquisition

1. Radio Advertising

The Complaint alleges that the provision of advertising time on radio stations is a relevant product market and that the Allentown, Denver, Harrisburg, Houston and Pensacola MSAs (''Divestiture Cities'') are each a relevant geographic market.

a. *Relevant Product Market.* Radio stations earn their revenues from the sale of advertising time to local and national advertisers. Many local and national advertisers purchase radio advertising time in the Divestiture Cities because they find such advertising preferable to advertising in other media for their specific needs. For such advertisers, radio time (a) may be less expensive and more cost-efficient than other media in reaching the advertiser's

[1] An MSA is the geographical unit for which Arbitron, a company that surveys radio listeners, provides data to radio stations, advertisers and advertising agencies to aid in evaluating radio audience size and composition. Advertisers use this data in making decisions about which radio station or combination of radio stations can deliver their target audiences in the most efficient and cost-effective way.

The Allentown MSA is comprised of Carbon, Lehigh, and Northampton counties in Pennsylvania and Warren County in New Jersey. The Denver MSA is comprised of Adams, Arapahoe, Boulder, Denver, Douglas, and Jefferson counties in Colorado. The Harrisburg MSA is comprised of Cumberland, Dauphin, Lebanon, and Perry counties of Pennsylvania. The Houston MSA is comprised of Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller counties of Texas. The Pensacola MSA is comprised of Escambia and Santa Rosa counties of Florida.

target audience (individuals most likely to purchase the advertiser's products or services); (b) may reach certain target audiences that cannot be reached as effectively through other media; or (c) may offer promotional opportunities to advertisers that they cannot exploit as effectively using other media. For these and other reasons, many local and national advertisers in the Divestiture Cities who purchase radio advertising time view radio either as a necessary advertising medium for them or as a necessary advertising complement to their media.

Although some local and national advertisers may switch some of their advertising to other media rather than absorb a price increase in radio advertising time in the Divestiture Cities, the existence of such advertisers would not prevent radio stations from profitably raising their prices a small but significant amount. At a minimum, stations could raise prices profitably to those advertisers who view radio either as a necessary advertising medium, or as a necessary advertising complement to other media. Radio stations, which negotiate prices individually with advertisers, can generally identify those advertisers with strong radio preferences. Consequently, radio stations can charge different advertisers different rates. Because of this ability to price discriminate between different customers, radio stations may charge higher rates to advertisers that view radio as particularly effective for their needs, while maintaining lower rates for other advertisers. For these reasons, the sale of radio advertising time is a relevant product market for purposes of section 7 of the Clayton Act.

b. *Relevant Geographic Markets.* Local and national advertising placed on radio stations in the Allentown, Denver, Harrisburg, Houston, and Pensacola MSAs is aimed at reaching listening audiences within each of those respective MSAs, and other radio stations do not provide effective access to those audiences. If there were a small but significant increase in radio advertising prices within any one of these MSAs, advertisers would not buy enough advertising time from radio stations outside of the MSA to defeat the increase. Thus, the Allentown, Denver, Harrisburg, Houston, and Pensacola MSAs are each a relevant geographic market for purposes of section 7 of the Clayton Act.

c. *Harm to Competition in Radio Advertising Markets.* The Complaint alleges that the Clear Channel/AMFM merger would lessen competition substantially in the sale of advertising time on radio broadcast stations in the Divestiture Cities. In particular, the merger would further concentrate markets that are already highly concentrated. The Complaint alleges that Clear Channel's market share in each of the Divestiture Cities would exceed 41 percent, and in some markets would be more than 69 percent, after the merger. Using a measure of market concentration called the Herfindahl-Hirschman Index (''HHI''), which is explained in Appendix A to the Complaint, the merger would result in concentration in each of these markets from about 2262 to 6231 points, well above the 1800 threshold at which the United States normally considers a market to be highly concentrated.

Furthermore, the Complaint alleges that the merger would eliminate head-to-head competition between Clear Channel and AMFM for advertisers seeking to reach specific audiences. Advertisers select radio stations to reach a large percentage of their target audience based upon a number of actors, including, inter alia, the size of the station's audience, the characteristics of its audience, and the geographic reach of a station's signal. Many advertisers seek to reach a large percentage of their target listeners by selecting those stations whose audience best correlates to their target listeners. Today, several Clear Channel and AMFM stations in the Divestiture Cities compete head-to-head to reach the same audiences and, for many local and national advertisers buying time in those markets, the stations are close substitutes for each other based on their specific audience characteristics. The proposed transaction would eliminate such competition.

Format changes are unlikely to deter the anticompetitive consequences of this transaction. Successful radio stations are unlikely to undertake a format change solely in response to small but significant increases in price being charged to advertisers by a multi-station firm such as Clear Channel because they would likely lose a substantial portion of their existing audiences. Even if less successful stations did change format, they still would be unlikely to attract enough listeners to provide suitable alternatives to the Clear Channel stations in their markets. Finally, new entry into radio advertising markets in the Divestiture Cities is highly unlikely in response to a small but significant price increase by Clear Channel because of the general lack of capacity to add additional signals in metropolitan markets. Also, it is unlikely that stations located in adjacent communities would be permitted to boost their power sufficiently so as to enter the MSAs in the Divestiture Cities without interfering with other stations on the same or similar frequencies in violation of Federal Communications Commission (''FCC'') regulations.

For all of these reasons, the Complaint alleges that the proposed merger would lessen competition substantially in the sale of advertising time on radio stations serving the Divestiture Cities, eliminate competition between Clear Channel and AMFM, and result in increased prices and reduced quality of service for radio advertisers in the Divestiture Cities, all in violation of section 7 of the Clayton Act.

2. Out-of-Home Advertising

a. *Relevant Markets.* Out-of-home advertising companies, such as Clear Channel/Eller and Lamar, generate revenue from the sale of out-of-home advertising, such as billboards, to local and/or national businesses that want to promote their products and services. Advertisers select out-of-home advertising based upon a number of factors, including the size of the target audience (individuals most likely to purchase the advertiser's products or services), the traffic patterns of the audience, as well as other audience characteristics.

Out-of-home advertising has unique characteristics that distinguish it from other advertising media. Among other things, out-of-home advertising is particularly suitable for highly visual, limited-information advertising and is typically less expensive and more cost-efficient than other media in reaching an advertiser's target audience. For many advertisers, there is no close substitute for out-of-home advertising. Such advertisers would not switch to another advertising medium if out-of-home advertising prices increased by a small but significant amount. Thus, the complaint alleges that out-of-home advertising is a relevant product market for purposes of section 7 of the Clayton Act.

In addition, out-of-home advertising is typically offered on a localized, market-by-market basis rather than nationally or regionally and is sold at prices based on local market conditions. It is typically sold by local sales forces and targeted to reach consumers in a specific city, county or metropolitan area. For advertisers seeking to reach consumers in a specific local area, advertising outside the local area is not an adequate substitute because most of the target audience may not even see the advertising. Thus, the relevant geographic markets within the meaning of Section 7 of the Clayton Act for out-

of-home advertising are typically localized, often no larger than a city, county or metropolitan area.

b. *Harm to Competition.* Clear Channel/Eller is one of only a few providers of out-of-home advertising services competing with Lamar in several markets across the United States, including Atlanta, Georgia, and Chicago, Illinois. The proposed merger between Clear Channel and AMFM would give Clear Channel unfettered ownership and control of the assets and holdings of AMFM, including AMFM's approximately 28.6 percent equity interest in Lamar.

Clear Channel's acquisition of AMFM's significant equity interest in Lamar may substantially lessen competition in the areas in which Clear Channel/Eller and Lamar compete to provide out-of-home advertising. By acquiring a partial ownership interest in Lamar, Clear Channel will have reduced incentives to compete against Lamar for out-of-home advertisers and will have incentives to charge higher prices than it otherwise would. This is because Clear Channel will indirectly benefit even when a customer chooses Lamar rather than Eller. In addition, Clear Channel's post-merger ownership in Lamar, which would include voting rights, board representation, and certain other rights, would give it the ability directly or indirectly to influence Lamar's business decisions, and would further lessen competition in out-of-home advertising. With these rights, Clear Channel could gain access to competitively sensitive information, which could be used by Clear Channel in an anticompetitive way. Entry into the out-of-home advertising would not be timely, likely or sufficient to mitigate the competitive harm resulting from this aspect of the merger. Hence, the Complaint alleges that the merger would lessen substantially competition between Clear Channel/Eller and Lamar in the provision of out-of-home advertising in local markets, and would result in increased prices and reduced quality of service for advertisers, in violation of section 7 of the Clayton Act.

III. Explanation of the Proposed Final Judgment

The proposed Final Judgment will preserve competition in both the sale of radio advertising time in the Divestiture Cities and the sale of out-of-home advertising in local markets by requiring substantial radio station divestitures and a complete divestiture of AMFM's ownership interest in Lamar (''the Lamar Holdings'').

A. Radio Divestitures

The proposed Final Judgment requires Clear Channel to divest 14 radio stations in five markets in the Divestiture Cities (the ''Radio Assets'') to buyers approved by the United States within one hundred and fifty (150) days after the filing of the Complaint, or five (5) days after notice of the entry of the Final Judgment by the Court, whichever is later. The United States, in the exercise of its sole discretion, may extend this time for two additional thirty (30) days periods.

The divestitures required by the proposed Final Judgment will maintain or reduce Clear Channel's resulting post-merger market shares in radio advertising at levels that either Clear Channel or AMFM possessed (whichever was greater) in each of the Divestiture Cities before the merger,[2] thereby effectively restoring the pre-merger competitive situation to each of these markets.[3] Thus, these divestitures will preserve choices for advertisers and will ensure that radio advertising prices do not increase and services do not decline as a result of the merger.

Under the terms of the proposed Final Judgment, the Radio Assets must be sold to purchasers acceptable to the United States, in its sole discretion. Unless the United States otherwise consents in writing, the divestitures will include all the assets of the stations being divested, and will be accomplished in way that will satisfy the United States, in its sole discretion, that such assets can and will be used as viable, ongoing commercial radio businesses. The proposed Final Judgment also requires the defendants to maintain the independence of the Radio Assets, and requires those stations to be kept separate and apart from the defendants' other radio stations. The proposed Final Judgment also contains provisions intended to ensure that these stations will remain viable and aggressive competitors after divestiture.

In addition, the proposed Final Judgment prohibits Clear Channel from entering into certain agreements with other radio stations in the Divestiture Cities without providing at least thirty (30) days' notice to the United States. First, Clear Channel must notify the United States before acquiring any assets of or interest in any other radio station in the Divestiture Cities. Such acquisitions could raise competitive concerns but might be too small to be reported under the Hart-Scott-Rodino (''HSR'') premerger notification statute, 15 U.S.C. 18a. Second, Clear Channel may not enter into any joint sales or cooperative selling arrangement with any other radio station in the Divestiture Cities without providing the United States with advance notice. Such arrangements include any Joint Sales Agreement (''JSA''), where one station takes over another station's advertising time, and any Local Marketing Agreement (''LMA''), where one station takes over another station's broadcasting and advertising time, as well as other comparable arrangements. Arrangements whereby Clear Channel would manage, or sell advertising on behalf of, other radio stations in the Divestiture Cities would effectively increase its market share in those cities. Despite their competitive significance, such arrangements also might not be reportable under the HSR Premerger Notification Act. Thus, this provision of the proposed Final Judgment ensures that the United States will receive advance notice of and be able to act, if appropriate to prevent any agreements that might have anticompetitive effects in the Divestiture Cities.

B. Divestiture of the Lamar-Holdings

The proposed Final Judgment also requires the defendants to divest completely, by December 31, 2002, the approximately 28.6 percent equity interest held by AMFM in the Lamar Holdings that Clear Channel acquired as a result of the merger. This divestiture may be made by public offering, private sale, or a combination thereof. However, such stock may not be sold: (1) to any entity that is currently in the out-of-home advertising business without the United States's written approval; or (2)

[2] In Allentown, AMFM's premerger share was 49.90 percent; Clear Channel's post-merger share will be 49.90 percent. In Harrisburg, AMFM's premerger share was 41.03 percent; the post-merger share will be 35.90 percent. In Pensacola, AMFM's premerger share was 49.61 percent; the post-merger share will be 19.69 percent. In Denver and Houston, the defendants were able to sell some of the stations required to be divested prior to consummation of their merger. In Denver, without any divestitures, the defendants would have held a post-merger market share of 66.51 percent. They sold five stations before the merger, which brought their market share down to 45.99 percent. After they sell the additional radio station required to be divested under the proposed Final Judgment, they will hold a 45.46 percent share, which is equal to AMFM's original share (i.e., before the merger and any divestitures). In Houston, the parties sold all but five stations before the merger, reducing their combined market share to 41.15 percent. After they make the additional divestitures called for by the proposed Final Judgment, they will hold only a 38.04 revenue share, which is less than AMFM's original share of the Houston market.

[3] As noted above, the parties also divested a number of radio stations prior to the filing of the Complaint in order to resolve the Department's concerns about the merger. A similar approach was employed by the Department with respect to those markets: Clear Channel was required to either divest down to its (or AMFM's) premerger market share or to a level that would not warrant competitive concern.

in a manner that the United States believes could significantly impair Lamar as an effective competitor in the sale of out-of-home advertising.

In merger cases in which the Antitrust Division seeks a divestiture remedy, it requires completion of the divestiture within the shortest time period reasonable under the circumstances. While the time period for divestiture of the Lamar Holdings in this case is significantly longer than the United States ordinarily would accept, the Division has agreed to a longer time in this case because of concerns that a more rapid divestiture of such a large amount of relatively thinly traded stock might harm competition. A complete divestiture in the time period required by the Antitrust Division in the typical case (*e.g.*, four months or less) potentially could adversely affect the price of Lamar stock, thereby increasing the cost of raising additional capital and limiting Lamar's ability to maintain and augment its outdoor advertising portfolio. This would have the effect of reducing Lamar's ability to compete effectively.

The terms of the proposed Final Judgment reflect a balancing of the potential harm to competition that might arise from a divestiture that proceeds either too slowly or too rapidly. By permitting the divestiture of the Lamar Holdings to be accomplished by December 31, 2002, the proposed Final Judgment will accomplish the required divestiture so as to minimize the risk of significant anticompetitive effects from Clear Channel's acquisition of a partial ownership stake in Lamar while at the same time minimizing the risk of any potential adverse effect on Lamar's ability to raise capital and compete effectively. Moreover, other supplementary provisions in the Final Judgment, described below, are designed to reduce the risk that Clear Channel's partial ownership of Lamar could create incentives for anticompetitive activity during the interim period before the completion of the required divestiture.

C. Corporate Governance Restrictions Relating to the Lamar Holdings

During the period that Clear Channel possesses the Lamar Holdings, its ability to participate in the governance of Lamar will be restricted by the proposed Final Judgment. In particular, it must abide by two agreements reached between Clear Channel and Lamar (the ''First Amendment to Stockholders Agreement'' and the ''Amended and Restated Registration Rights Agreement,'' both of which are attached to the proposed Final Judgment as Schedules C and D, respectively), which set out the rights and obligations of the parties with respect to issues relating to the governance of Lamar and the sale of its stock. In addition, until the divestiture of the Lamar Holdings, Clear Channel must treat that equity interest in Lamar as a passive investment, and must hold it separate and apart from Clear Channel's other activities and interest. Neither Clear Channel nor its representatives may: exercise any voting rights except as provided in the First Amendment to Stockholders Agreement; participate as officers or directors of Lamar, participate in the selection of Lamar's officers or directors, or participate in any board of directors meetings or committees; exercise any veto rights over Lamar's activities; or obtain nonpublic information about Lamar. In addition, the proposed Final Judgment provides that the two AMFM representatives on the Lamar board—Thomas O. Hicks and R. Steven Hicks—must resign those seats within two days after the merger is consummated.[4] Collectively, these provisions are intended to promote a ''hold separate'' relationship between Clear Channel and the Lamar Holdings during the pre-divestiture period and reduce the risk that Clear Channel will influence Lamar's business decisions.

Other provisions in the proposed Final Judgment require that the defendants may not take any action that will in any way impede the divestiture of the Lamar Holdings. In addition, the defendants may not acquire any additional shares of Lamar stock except as a results of certain events, such as a stock split or dividend, where the percentage of their equity interest in Lamar does not increase. Any additional shares so acquired must be divested as part of the Lamar Holdings. Finally, the defendants must appoint someone to oversee the Lamar Holdings, who will be responsible for the defendant's compliance with this portion of the decree.

As a general matter, the Antitrust Division does not believe that decree restrictions dealing with corporate governance arrangements are an appropriate remedy for the anticompetitive effects that might arise from mergers and acquisitions. Such restrictions will have only limited efficacy as long-term protections against anticompetitive effects, and may require ongoing oversight of the conduct of a corporation's internal affairs that neither the Antitrust Division nor a Court is well-suited to perform. The proposed Final Judgment in this matter adopts such provisions only because of the unique factors that are present here, and only as an interim measure designed to mitigate any anticompetitive incentives that could otherwise arise during the unusually lengthy period permitted for complete divestiture of the Lamar Holdings.

D. Trustee Provisions

In the event that the defendants fail to make any required divestitures of either the Radio Assets or the Lamar Holdings (collectively the ''Divestiture Assets'') within the time periods set forth in the proposed Final Judgment, a trustee(s) will be appointed by the Court to effect such divestitures. Clear Channel will pay all costs and expenses of any trustee and of any professionals and agents retained by the trustee(s), and may not object to any sale by the trustee(s) on any ground other than malfeasance. After appointment, the trustee(s) will report monthly to the United States and the Court on its efforts to accomplish the required divestitures. If the trustee(s) has not accomplished the divestitures within six (6) months of his or her appointment, the trustee(s) shall inform the Court of his or her efforts to accomplish the required divestitures, the reasons the required divestitures have not been accomplished and the trustee's recommendations.

E. Ban on Reacquisition

The defendants may not reacquire any of the Divestiture Assets or the assets used in the operation of the radio stations listed in Schedule E of the proposed Final Judgment[5] during the term of the consent decree, which is for ten years unless extended by the Court. Reacquisition of any of the Divestiture Assets would undermine, if not negate, the benefits of the relief obtained in these markets. Accordingly, this provision is necessary to protect the integrity of the relief.

IV. Remedies Available to Potential Private Litigants

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable

[4] The United States has confirmed that these two individuals resigned on August 30, 2000.

[5] Schedule E lists the other radio stations in the Denver and Houston MSAs that the parties have already divested under the ''fix-it-first'' arrangement. Since all the required divestitures in Denver and Houston did not occur under the ''fix-it-first'' approach, the defendants may not reacquire any of the stations divested in these markets, including those that they divested prior to consummating their merger.

attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment has no *prima facie* effect in any subsequent private lawsuit that may be brought against defendants.

V. Procedures Available for Modification of the Proposed Final Judgment

The United States and the defendants have stipulated that the proposed Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least sixty (60) days preceding the effective date of the proposed Final Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register**. All comments will be given due consideration by the United States Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to its entry. The United States will evaluate and respond to the comments. The comments and the response of the United States will be filed with the Court and published in the **Federal Register**.

Any such written comments should be submitted to: J. Robert Kramer, II, Chief, Litigation II Section, Antitrust Division, United States Department of Justice, 1401 H Street, NW, Suite 3000, Washington, DC 20530.

The proposed Final Judgment provides that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Final Judgment, as well as to punish violations of its provisions.

VI. Alternatives to the Proposed Final Judgment

The United States considered as an alternative to the proposed Final Judgment, a full trial on the merits against the defendants. The United States could have brought suit and sought a preliminary and permanent injunction against the merger of Clear Channel and AMFM. The United States is satisfied, however, that the radio station divestitures, the complete divestiture of the Lamar Holdings, and the other relief contained in the proposed Final Judgment will preserve competition in the sale of radio advertising and out-of-home advertising. Thus, the United States is convinced that the proposed Final Judgment, once implemented by the Court, will prevent the Clear Channel/AMFM merger from having adverse competitive effects.

VII. Standard of Review Under the APPA for Proposed Final Judgment

The APPA requires that proposed consent judgments in antitrust cases brought by the United States be subject to sixty (60) day comment period, after which the Court shall determine whether entry of the proposed Final Judgment is ''in the public interest.'' In making that determination, the Court may consider—

> (1) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment;
>
> (2) the impact of entry of such judgment upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including considerations of the public benefit, if any, to be derived from a determination of the issues at trail.

15 U.S.C. 16(e) (emphasis added). As the United States Court of Appeals for the District of Columbia Circuit held, the APPA permits a court to consider, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's Complaint, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. *See United States* v. *Microsoft Corp.,* 56 F.3d 1448, 1458–62 (D.C. Cir. 1995).

In conducting this inquiry, ''the Court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process.'' [6] Rather,

> [a]bsent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should * * * carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.

United States v. *Mid-America Dairymen, Inc.,* 1977–1 Trade Cas. ¶ 61,508, at 71,980 (W.D. Mo. 1977).

Accordingly, with respect to the adequacy of the relief secured by the decree, a court may not ''engage in an unrestricted evaluation of what relief would best serve the public.'' *United States* v. *BNS, Inc.,* 858 F.2d 456, 462 (9th Cir. 1988) (quoting *United States* v. *Bechtel Corp.,* 648 F.2d 660, 666 (9th Cir.), *cert. denied,* 454 U.S. 1083 (1981)); *see also Microsoft,* 56 F.3d at 1458–62. Precedent requires that:

> The balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is ''*within the reaches of the public interest.*'' More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.[7]

The proposed Final Judgment, therefore, should not be reviewed under a standard of whether it is certain to eliminate every anticompetitive effect of a particular practice or whether it mandates certainty of free competition in the future. Court approval of a final judgment requires a standard more flexible and less strict than the standard required for a finding of liability. ''[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.' '' [8]

---

[6] 119 *Cong. Rec.* 24598 (1973). *See United States* v. *Gillette Co.,* 406 F. Supp. 713, 715 (D. Mass. 1975). A ''public interest'' determination can be made properly on the basis of the Competitive Impact Statement and Response to Comments filed pursuant to the APPA. Although the APPA authorizes the use of additional procedures, 15 U.S.C. § 16(f), those procedures are discretionary. A court need not invoke any of them unless it believes that the comments have raised significant issues and that further proceedings would aid the court in resolving those issues. *See* H.R. Rep. 93–1463, 93rd Cong. 2d Sess. 8–9 (1974), *reprinted in* 1974 U.S.C.C.A.N. 6535, 6538.

[7] *Bechtel,* 648 F.2d at 666 (citations omitted) (emphasis added); *see BNS,* 858 F.2d at 463; *United States* v. *National Broad. Co.,* 449 F. Supp. 1127, 1143 (C.D. Cal. 1978); *Gillette,* 406 F. Supp. at 716 *See also Microsoft,* 56 F.3d at 1461 (whether ''the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest' '') (citations omitted).

[8] *United States* v. *American Tel. and Tel Co.,* 552 F. Supp. 131, 151 (D.D.C. 1982), *aff'd. sub nom. Maryland* v. *United States,* 460 U.S. 1001 (1983) (*quoting Gillette Co.,* 406 F. Supp. at 716); *see also*

Moreover, the Court's role under the APPA is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint, and does not authorize the Court to ''construct [its] own hypothetical case and then evaluate the decree against that case.'' *Microsoft,* 56 F.3d at 1459. Since the ''Court's authority to review the decree depends entirely on the government's exercising its prosecutorial discretion by bringing a case in the first place,'' it follows that the court is only authorized to review the decree itself, and not to ''effectively redraft the complaint'' to inquire into other matters that the United States might have but did not pursue. *Id.*

VIII. Determinative Documents

There are no determinative materials or documents within the meaning of the APPA that were considered by the United States in formulating the proposed Final Judgment.

Dated: November 15, 2000.

Respectfully submitted,
John C. Filippini,
Trial Attorney, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H Street, N.W., Suite 3000, Washington, D.C. 20530, (202) 307–5782.

Certificate of Service

I, John C. Filippini, of the Antitrust Division of the United States Department of Justice, do hereby certify that true copies of the foregoing Competitive Impact Statement were served this 15th day of November, 2000, by first-class mail, to the following:

Charles E. Biggio, Akin, Gump, Strauss, Hauer & Feld, 590 Madison Avenue—20th Floor, New York, NY 10022, (212) 872–1010, Counsel for Clear Channel Communications, Inc.

Phillip E. Proger, Jones, Day, Reavis & Pogue, 51 Louisiana Avenue, N.W., Washington, D.C. 20001–2113, (202) 879–4668, Counsel for Clear Channel Communications, Inc.

Neil W. Imus, Vinson & Elkins, The Willard Office Building, 1455 Pennsylvania Avenue, N.W., Washington, D.C. 20004–1008, (202) 639–6675, Counsel for AMFM Inc.

John C. Filippini.

[FR Doc. 01–87 Filed 2–26–01; 8:45 am]

BILLING CODE 4410–11–M

United States v. *Alcan Aluminum, Ltd.,* 605 F. Supp. 619, 622 (W.D. Ky. 1985).

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—The ATM Forum

Notice is hereby given that, on December 29, 2000, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), The ATM Forum has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Biodata, Lictenfels, Germany; Polycom, Palo Alto, CA; Symbiont Networks, Inc., Fairfax, VA; MobilCOM City Line GmbH, Buedelsodorf, Germany; ViaSat, Carlsbad, CA; and Ericsson France, Massy Cedex, France have been added as parties to this venture. The following members have changed their names: Wavetek Wandel Golterman to ACTERENA, Eningen, Germany; Beacon Networks, Inc. to Pelago Networks, Marlborough, MA; Silicon Automation Systems to Sasken Communication Technologies, Inc., Bangalore, India; CoreEl MicroSystems, Inc. to Paxonet, Fremont, CA; LG Information & Communications Ltd. to LG Electronics, Inc., Seoul, Republic of Korea; and Syskonnect to Syskonnect GmBH, Ettlingen, Germany. The following auditing member merged with another subsidiary of their parent company: Ericsson into Ericsson France, Massy Cedex, France. Also, The ATM Forum worldwide headquarters address has changed from Mountain View, CA to St. Louis, MO.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and The ATM Forum intends to file additional written notification disclosing all changes in membership.

On April 19, 1993, The ATM Forum filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 2, 1993 (58 FR 31415).

The last notification was filed with the Department on September 29, 2000. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on November 24, 2000 (65 FR 70611).

Constance K. Robinson,
Director of Operations, Antitrust Division.

[FR Doc. 01–4704 Filed 2–26–01; 8:45 am]

BILLING CODE 4410–11–M

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Spray Drift Task Force

Notice is hereby given that, on January 12, 2001, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Spray Drift Task Force has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Cenex/Land O'Lakes Agronomy Company, previously named Agro Distribution, LLC, Sioux City, UT, has requested its membership name changed to Agrialiance, LLC. Also, Merck & Co., Whitehouse Station, NJ has been dropped as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Spray Drift Task Force intends to file additional written notification disclosing all changes in membership.

On May 15, 1990, Spray Drift Task Force filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on July 15, 1990 (55 FR 27701).

The last notification was filed with the Department on November 1, 2000. A notice has not yet been published in the **Federal Register**.

Constance K. Robinson,
Director of Operations, Antitrust Division.

[FR Doc. 01–4701 Filed 2–26–01; 8:45 am]

BILLING CODE 4410–11–M

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—United Technologies Research Center

Notice is hereby given that, on January 8, 2001, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), United Technologies Research Center has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Minnesota Mining and Manufacturing (''3M''), Austin, TX has been dropped effective January 1, 2001, as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and United Technologies Research Center intends to file additional written notification disclosing all changes in membership.

On March 11, 1999, United Technologies Research Center filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on May 20, 1999 (64 FR 27604).

The last notification was filed with the Department on July 18, 2000 pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on January 11, 2001 (66 FR 2248).

Dated: February 9, 2001.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 01–4702 Filed 2–26–01; 8:45 am]

BILLING CODE 4410–11–M

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—United Technologies Research Center

Notice is hereby given that, on April 11, 2000, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), United Technologies Corporation has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Tyco Printed Circuit Group, Inc., Stafford Springs, CT; and Ford Motor Company, Dearborn, MI have been dropped as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and United Technologies Corporation intends to file additional written notification disclosing all changes in membership.

On March 11, 1999, United Technologies Corporation filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on May 20, 1999 (64 FR 27604).

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 01–4703 Filed 2–26–01; 8:45 am]

BILLING CODE 4410–11–M

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

Sunshine Act Meeting

February 21, 2001.

TIME AND DATE: 10:00 a.m., Friday, March 2, 2001.

PLACE: Room 6005, 6th Floor, 1730 K Street, NW., Washington, DC.

STATUS: Open.

MATTERS TO BE CONSIDERED: The Commission will consider and act upon the following:

1. Eagle Energy, Inc., Docket No. WEVA 98–39 (Issues include whether the judge correctly determined that the violation of 30 CFR 75.380(d)(1) was not due to the operator's unwarrantable failure).

Any person attending an open meeting who requires special accessibility features and/or auxiliary aids, such as sign language interpreters, must inform the Commission in advance of those needs. Subject to 29 CFR 2706.150(a)(3) and 2706.160(d).

CONTACT PERSON FOR MORE INFO: Jean Ellen, (202) 653–5629/(202) 708–9300 for TDD Relay/1–800–877–8339 for toll free.

Jean H. Ellen,

Chief Docket Clerk.

[FR Doc. 01–4842 Filed 2–23–01; 12:48 pm]

BILLING CODE 6735–01–M

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice (01–030)]

NASA Advisory Council (NAC), Space Science Advisory Committee (SScAC), Astronomical Search for Origins and Planetary Systems (ORIGINS); Subcommittee Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Pub. L. 92–463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Space Science Advisory Committee, Astronomical Search for Origins Planetary Systems Subcommittee.

DATES: Tuesday, March 6, 2001, 8:30 a.m. to 5 p.m.; Wednesday, March 7, 2001, 8:30 a.m. to 5 p.m.

ADDRESSES: March 6, the subcommittee will meet at Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, CA 91109, room 180–703C. March 7, the subcommittee will meet at Carnegie Observatories, 813 Santa Barbara Street, Pasadena, California 91101.

FOR FURTHER INFORMATION CONTACT: Dr. Anne L. Kinney, Code S, National Aeronautics and Space Administration, Washington, DC 20546, 202/358–2150.

SUPPLEMENTARY INFORMATION: The meeting will be open to the public up to the capacity of the room. The agenda for the meeting includes the following topics:

—Space Interferometry Mission Replan and Science

—Eclipse Science Potential

—Next Generation Space Telescope Rescope Status and Plans

—Origins Re-architecture Plans

—Origins Architecture

It is imperative that the meeting be held on these dates to accommodate the scheduling priorities of the key participants. Visitors will be requested to sign a visitor's register.

Dated: February 22, 2001.

Beth M. McCormick,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 01–4721 Filed 2–26–01; 8:45 am]

BILLING CODE 7510–01–U

THE NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Meetings of Humanities Panel

AGENCY: The National Endowment for the Humanities.

ACTION: Notice of meetings.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act (Public Law 92–463, as amended), notice is hereby given that the following meetings of the Humanities Panel will be held at the Old Post Office, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

FOR FURTHER INFORMATION CONTACT: Laura S. Nelson, Advisory Committee Management Officer, National Endowment for the Humanities, Washington, DC 20506; telephone (202) 606–8322. Hearing-impaired individuals are advised that information on this matter may be obtained by contacting the Endowment's TDD terminal on (202) 606–8282.

SUPPLEMENTARY INFORMATION: The proposed meetings are for the purpose of panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the agency by the grant applicants. Because the proposed meetings will consider information that is likely to disclose trade secrets and commercial or financial information obtained from a person and privileged or confidential and/or information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, pursuant to authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee meetings, dated July 19, 1993, I have determined that these meetings will be closed to the public pursuant to subsections (c)(4), and (6) of section 552b of Title 5, United States Code.

1. *Date:* March 12, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 415.
Program: This meeting will review applications for Humanities Projects in Museums and Historical Organizations, submitted to the Division of Public Programs at the February 1, 2001 deadline.

2. *Date:* March 15, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 730.
Program: This meeting will review applications for Humanities Projects in Media, submitted to the Division of Public Programs at the February 1, 2001 deadline.

3. *Date:* March 15, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 415.
Program: This meeting will review applications for Humanities Projects in Libraries and Archives, submitted to the Division of Public Programs at the February 1, 2001 deadline.

4. *Date:* March 16, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 426.
Program: This meeting will review applications for Special Projects, submitted to the Division of Public Programs at the February 1, 2001 deadline.

5. *Date:* March 19, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 415.
Program: This meeting will review applications for Humanities Projects in Museums and Historical Organizations, submitted to the Division of Public Programs at the February 1, 2001 deadline.

6. *Date:* March 19, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 730.
Program: This meeting will review applications for Humanities Projects in Media, submitted to the Division of Public Programs at the February 1, 2001 deadline.

7. *Date:* March 22, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 415.
Program: This meeting will review applications for Humanities Projects in Media, submitted to the Division of Public Programs at the February 1, 2001 deadline.

8. *Date:* March 30, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 415.
Program: This meeting will review applications for Humanities Projects in Media, submitted to the Division of Public Programs at the February 1, 2001 deadline.

9. *Date:* March 30, 2001.
Time: 9:00 a.m. to 5:30 p.m.
Room: 426.
Program: This meeting will review applications for Humanities Projects in Media, submitted to the Division of Public Programs at the February 1, 2001 deadline.

Laura S. Nelson,

Advisory Committee, Management Officer.

[FR Doc. 01–4757 Filed 2–26–01; 8:45 am]

BILLING CODE 7536–01–M

NATIONAL INDIAN GAMING COMMISSION

Fee Rates

AGENCY: National Indian Gaming Commission

ACTION: Notice.

SUMMARY: Notice is hereby given, pursuant to 25 CFR 514.1(a)(3), that the National Indian Gaming Commission has adopted preliminarily annual fee rates of 0.00% for tier 1 and 0.08% (.0008) for tier 2 for calendar year 2001. These rates shall apply to all assessable gross revenues from each gaming operation under the jurisdiction of the Commission. If a tribe has a certificate of self-regulation under 25 CFR part 518, the preliminary fee rate on class II revenues for calendar year 2001 shall be one-half of the annual fee rate, which is 0.4% (.0004).

FOR FURTHER INFORMATION CONTACT: Bobby Gordon, National Indian Gaming Commission, 1441 L Street, NW., Suite 9100, Washington, DC 20005; telephone 202/632–7003; fax 202/632–7066 (these are not toll-free numbers).

SUPPLEMENTARY INFORMATION: The Indian Gaming Regulatory Act established the National Indian Gaming Commission which is charged with, among other things, regulating gaming on Indian lands.

The regulations of the Commission (25 CFR part 514 and 25 CFR part 518), as amended, provide for a system of fee assessment and payment that is self-administered by gaming operations. Pursuant to those regulations, the Commission is required to adopt and communicate assessment rates; the gaming operations are required to apply those rates to their revenues, compute the fees to be paid, report the revenues, and remit the fees to the Commission on a quarterly basis.

The regulations of the Commission and the preliminary annual rate being adopted today are effective for calendar year 2001. Therefore, all gaming operations within the jurisdiction of the Commission are required to self-administer the provisions of these regulations and report and pay any fees

that are due to the Commission by March 31, 2001.

Richard Schiff,

Acting Chief of Staff, National Indian Gaming Commission.

[FR Doc. 01–4687 Filed 2–26–01; 8:45 am]

BILLING CODE 7565–01–M

NATIONAL SCIENCE FOUNDATION

Advisory Panel for Biological Infrastructure; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting:

Name: Advisory Panel for Biological Infrastructure (1215).

Date & Time: March 15, 2001, 1 pm–5 pm; March 16, 2001, 8 am–12 pm.

Place: Room 130, National Science Foundation, 4201 Wilson Blvd., Arlington, VA.

Type of Meeting: Closed.

Contact Person: Ms. Carter Kinsey, Program Manager, Minority Postdoctoral Research Fellowship Program, Division of Biological Infrastructure, Room 615, NSF, 4201 Wilson Boulevard, Arlington, VA 22230, (703) 292–8470.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to the NSF for financial support.

Agenda: To review and evaluate Minority Postdoctoral Research Fellowship Program proposals as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c)(4) and (6) of the Government Sunshine Act.

Dated: February 21, 2001.

Susanne Bolton,

Committee Management Officer.

[FR Doc. 01–4717 Filed 2–26–01; 8:45 am]

BILLING CODE 7555–01–M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–413]

Duke Energy Corporation; Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. NPF–35 issued to Duke Energy Corporation, et al., (the licensee) for operation of the Catawba Nuclear Station, Unit 1, located in York County, South Carolina.

The proposed amendment would modify the Required Actions for the Engineered Safety Feature Actuation System (ESFAS) Table 3.3.2–1, function 6.f (auxiliary feedwater (AFW), auxiliary feedwater pump train A and train B suction transfer on suction pressure—low) on a one time basis. The proposed one time change will require that if more than 1 channel of low suction pressure instrumentation becomes inoperable, the licensee will immediately enter the applicable Condition(s) or Required Action(s) for the associated AFW train made inoperable by the inoperable channels. This modification will support the timely replacement of a broken pressure switch in the Train B of AFW Suction Transfer on low suction pressure function.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The following discussion is a summary of the evaluation of the changes contained in this proposed amendment against the 10 CFR 50.92(c) requirements to demonstrate that all three standards are satisfied. A no significant hazards consideration is indicated if operation of the facility in accordance with the proposed amendment would not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated, or

2. Create the possibility of a new or different kind of accident from any accident previously evaluated, or

3. Involve a significant reduction in a margin of safety.

First Standard

Implementation of this amendment would not involve a significant increase in the probability or consequences of an accident previously evaluated. Approval of this one time amendment will have no effect on accident probabilities or consequences. For the proposed change, the equipment referenced in the affected TS (ESFAS instrumentation) is not accident initiating equipment; therefore, there will be no impact on any accident probabilities by the approval of this amendment. The design function of the equipment is not being modified by these proposed changes. The proposed one time change is not increasing the time already evaluated for an AFW train to be out of service. Therefore, there will be no impact on any accident consequences.

Second Standard

Implementation of this one time amendment would not create the possibility of a new or different kind of accident from any accident previously evaluated. No new accident causal mechanisms are created as a result of NRC approval of this amendment request. No changes are being made to the plant that will introduce any new accident causal mechanisms. This one time amendment request does not impact any plant systems that are accident initiators; therefore, no new accident types can be created.

Third Standard

Implementation of this one time amendment would not involve a significant reduction in a margin of safety. Margin of safety is related to the confidence in the ability of the fission product barriers to perform their design functions during and following an accident situation. These barriers include the fuel cladding, the reactor coolant system, and the containment system. The performance of these fission product barriers will not be impacted by implementation of this proposed one time amendment. The equipment referenced in the affected TS for proposed one time change is already capable of performing as designed. Therefore, a significant reduction in the margin of safety is not created by this one time TS change.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that

failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the **Federal Register** a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, and should cite the publication date and page number of this **Federal Register** notice. Written comments may also be delivered to Room 6D59, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By March 29, 2001, 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 CFR 2.714 which is available at the Commission's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, and accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site *(http://www.nrc.gov).* 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 references 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.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

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, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, 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 Ms. Lisa F. Vaughn, Legal Department (PB05E), Duke Energy Corporation, 422 South Church Street, Charlotte, North Carolina 28201–1006, 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).

For further details with respect to this action, see the application for amendment dated February 20, 2001, which is available for public inspection at the Commission's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, and accessible electronically through the ADAMS

Public Electronic Reading Room link at the NRC Web site *(http://www.nrc.gov).*

Dated at Rockville, Maryland, this 21st day of February 2001.

For The Nuclear Regulatory Commission.

Chandu P. Patel,

Project Manager, Section 1, Project Directorate II, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 01–4767 Filed 2–26–01; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Nuclear Regulatory Commission.

DATES: Weeks of February 26, March 5, 12, 19, 26, April 2, 2001.

PLACE: Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland.

STATUS: Public and Closed.

MATTERS TO BE CONSIDERED:

Week of February 26, 2001

Monday, February 26, 2001

10:15 a.m. Discussion of Intragovernmental Issues (Closed-Ex. 9) (Tentative)

2:00 p.m. Meeting with the National Association of Regulatory Utility Commissioners (NARUC) (Public Meeting) (Contact: Spiros Droggitis, 301–415–2367)

This meeting will be webcast live at the Web address—*www.nrc.gov/live.html*

Tuesday, February 27, 2001

10:25 a.m. Affirmation Session (Public Meeting) (If needed)

10:30 a.m. Briefing on Threat Environment Assessment (Closed-Ex. 1)

Week of March 5, 2001—Tentative

There are no meetings scheduled for the Week of March 5, 2001.

Week of March 12, 2001—Tentative

Monday, March 12, 2001

1:25 p.m. Affirmation Session (Public Meeting) (If needed)

1:30 p.m. Discussion of Management Issues (Closed-Ex. 2)

Week of March 19, 2001—Tentative

Thursday, March 22, 2001

10:25 a.m. Affirmation Session (Public Meeting) (If needed)

10:30 a.m. Meeting with Advisory Committee on Nuclear Waste (ACNW) (Public Meeting) (Contact: John Larkins, 301–415–7360)

This meeting will be webcast live at the Web address—*www.nrc.gov/live.html.*

Week of March 26, 2001—Tentative

There are no meetings scheduled for the Week of March 26, 2001.

Week of April 2, 2001—Tentative

There are no meetings scheduled for the Week of April 2, 2001.

* The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings call (recording)—(301) 415–1292. Contact person for more information: David Louis Gamberoni (301) 415–1651.

The NRC Commission Meeting Schedule can be found on the Internet at: *http://www.nrc.gov/SECY/smj/schedule.htm.*

This notice is distributed by mail to several hundred subscribers; if you no longer wish to receive it, or would like to be added to the distribution, please contact the Office of the Secretary, Washington, DC 20555 (301–415–1969). In addition, distribution of this meeting notice over the Internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to *dkw@nrc.gov.*

Dated: February 22, 2001.

David Louis Gamberoni,

Technical Coordinator, Office of the Secretary.

[FR Doc. 01–4841 Filed 2–23–01; 12:48 pm]

BILLING CODE 7590–01–M

POSTAL RATE COMMISSION

Commission Briefing

AGENCY: Postal Rate Commission.

ACTION: Notice of Commission briefing.

SUMMARY: United Parcel Service (UPS) representatives will brief the Commission on a petition UPS has filed with the Department of Transportation (DOT). The petition seeks review of a DOT staff action granting a foreign forwarding license to DHL Worldwide Express.

DATES: March 1, 2001 at 10 a.m.

ADDRESSES: The briefing will be held in the Postal Rate Commission's main conference room, 1333 H St. NW., Suite 300, Washington, DC 20268.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel, 202–789–6820.

Dated: February 22, 2001.

Margaret P. Crenshaw,

Secretary.

[FR Doc. 01–4768 Filed 2–26–01; 8:45 am]

BILLING CODE 7710–FW–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–27348]

Filings Under the Public Utility Holding Company Act of 1935, as Amended (''Act'')

February 21, 2001.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by March 16, 2001, to the Secretary, Securities and Exchange Commission, Washington, DC 20549–0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After March 16, 2001, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Consolidated Natural Gas Company (70–9841)

Consolidated Natural Gas Company (''CNG''), 120 Tredegar Street, Richmond, VA 23219, a registered public utility holding company, has filed a declaration with the Commission under sections 6(a)(2), 7(e) and 12(e) and rules 54,62(d) and 65 of the Act.

CNG became a wholly owned subsidiary of Dominion Resources, Inc. (''DRI''), also a registered holding company under the Act, as a result of a merger approved by the Commission on December 15, 1999 (HCAR No.

27113). CNG is engaged, throgh subsidiaries, in all phases of the natural gas business including distribution, transmission, exploration and production. CNG's three utility public subsidiaries, Dominion East Ohio, Dominion Peoples and Dominion Hope, serve approximately 1.7 million retail customers.

CNG seeks authorization to solicit consents and amend the indenture dated as of May 1, 1971, between CNG and the Chase Manhattan Bank, as successor Trustee (''1971 Indenture'') as supplemented by 19 supplemental indentures. In connection with a 20th supplemental indenture, CNG proposes to effect changes in the 1971 Indenture (''Amendments''). Currently there are three series of debentures outstanding under the 1971 Indenture as follows:[1]

Debentures	Principal Amount
5 ¾% Debentures due August 1, 2003	$150,000,000
6 ⅝% Debentures due December 1, 2013	150,000,000
8 ¾% Debentures due October 1, 2019	71,010,000
Total outstanding	371,010,000

CNG requests authority to solicit consents from holders of the 5¾% Debentures due August 1, 2003 and the 6⅝% Debentures due December 1, 2013 (collectively, ''Debentures'').[2] CNG contemplates that a consent solicitation statement and accompanying materials (which consist of a consent letter, a form of beneficial owner proxy authorizing a registered owner to consent, a letter to nominees such as brokers and dealers and a form letter to be used by nominees to advise their clients of the consent solicitation) will be mailed or hand delivered to holders of the Debentures (''Debentureholders''). Debentureholders of 66⅔% in principal amount of each series of Debentures and of all the Debentures collectively must consent to the amendments in order for them to become effective. If the required consents are received, CNG will pay a consent fee to each Debentureholder who has delivered a valid consent before the expiration date as set by CNG.

CNG also currently has outstanding $1,350,000,000 principal amount in debt securities under an indenture dated as of April 1, 1995 between CNG and United States Trust Company of New York, as trustee (''1995 Indenture''). CNG plans to amend the 1971 Indenture to remove certain covenant restrictions. CNG states the effect of these amendments will, in general, be to eliminate covenants and restrictions found in the 1971 Indenture but not in the 1995 Indenture.

Specifically, CNG proposes to amend the 1971 Indenture as follows: (1) Delete section 6.05, which imposes restrictions on the sale of common or voting shares; (2) delete section 6.06, which imposes restrictions on additional funded debt of CNG and its subsidiaries and preferred stock of subsidiaries; (3) delete section 6.07, which imposes other restrictions on additional funded debt and preferred stock of new subsidiary companies; (4) delete section 6.08, which imposes restrictions on the payment of dividends; (5) delete section 6.09, which imposes restrictions on consolidation, merger or transfer of property unless specified ratios are complied with; (6) delete section 6.10, which requires CNG to file officers' certificates evidencing compliance with certain of the provisions of sections 6.06 through 6.09,[3] (7) CNG will agree for the benefit of the Debentureholders that it will comply with all covenants and restrictions in the 1995 Indenture; and (8) CNG will agree not to issue any additional debentures under the 1971 Indenture.

CNG states that neither the 1995 Indenture nor any of CNG's other credit arrangements contain restrictions of the kind imposed by sections 6.05 through 6.10 of the 1971 Indenture. CNG asserts the removal of these restrictions provides CNG with greater freedom to incur debt, pay dividends and engage in restructuring transactions that would otherwise be prohibited by the terms of the 1971 Indenture. CNG further asserts the amendments would update the terms of the 1971 Indenture to those generally accepted in capital markets for borrowers of the financial stature of CNG and DRI.

CNG requests that an order authorizing the solicitation of consents be issued as soon as practicable under rule 62(d).

For the Commission by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4749 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[1] The three series of debentures are listed on the New York Stock Exchange and were authorized by the Commission. *See* Holding Co. Act Release No. 25800 (April 21, 1993) and Holding Co. Act Release No. 24896 (May 31, 1989).

[2] CNG states that the 8¾% Debentures due October 1, 2019 were called for redemption on February 16, 2001 at a redemption price of $103.42.

[3] Either some portions, or the entirety, of sections 6.05 through 6.10 may be deleted as a result of the proposed amendments.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43992; File No. 4–208]

Joint Industry Plan; Notice of Filing of Proposed Plan Establishing Procedures Under Rule 11Ac1–5 by the American Stock Exchange, Boston Stock Exchange, Chicago Stock Exchange, Cincinnati Stock Exchange, National Association of Securities Dealers, New York Stock Exchange, Pacific Exchange, and Philadelphia Stock Exchange

February 21, 2001.

I. Introduction

On February 20, 2001, pursuant to Rule 11Aa3–2 under the Securities Exchange Act of 1934 (''Exchange Act''),[1] the American Stock Exchange LLC (''Amex''), Boston Stock Exchange, Inc. (''BSE''), Chicago Stock Exchange, Inc. (''CHX''), Cincinnati Stock Exchange, Inc. (''CSE''), National Association of Securities Dealers, Inc. (''NASD''), New York Stock Exchange, Inc. (''NYSE''), Pacific Exchange, Inc. (''PCX'') and Philadelphia Stock Exchange, Inc. (''Phlx'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') a proposed plan (''Plan'') for the purpose of establishing procedures for market centers to follow in making their monthly reports available to the public under Exchange Act Rule 11Ac1–5.[2] Pursuant to Rule 11Aa3–2(c)(1), the Commission is publishing this notice of, and requesting comments on, the Plan.

II. Background

On November 17, 2000, the Commission adopted Rule 11Ac1–5, which requires public disclosure of order execution information.[3] Under the Rule, all ''market centers''[4] that trade national market system securities are required to make available to the public monthly electronic reports that include uniform statistical measures of execution quality. Paragraph (b)(2) of the Rule directs the self-regulatory organizations (''SROs'') that trade national market system securities to act jointly in establishing procedures for market centers to follow in making their monthly reports available to the public

[1] 17 CFR 240.11Aa3–2.

[2] 17 CFR 240.11Ac1–5.

[3] Securities Exchange Act Release No. 43590 (November 17, 2000), 65 FR 75414.

[4] The term ''market center'' is defined in Rule 11Ac1–5(a)(14) as ''any exchange market maker, OTC market maker, alternative trading system, national securities exchange, or national securities association.''

in a uniform, readily accessible, and usable electronic format.

III. Summary of Plan

The full text of the Plan is set forth in the Appendix and should be referred to for all details of Plan procedures. In general, each market center required by the Rule to make monthly reports available to the public must prepare such reports in the form of electronic data files that meet the requirements set forth in Sections V and VI of the Plan. Section V, for example, provides that market center files must be in standard, pipe-delimited ASCII format, and Section VI(a) sets forth the 26 fields of information that market center files must include (in order), as well as formatting instructions for the fields. A market center must make its files available for downloading on an Internet site (''Download Site'') in accordance with the provisions set forth in Section VII of the Plan (*e.g.*, the site must be free of charge and readily accessible to the public).

Under Section VIII of the Plan, each market center must make arrangements with a single SRO that is a Participant in the Plan to act as the market center's ''Designated Participant.'' A market center must notify its Designated Participant of a hyperlink to the market center's Download Site. Finally, each Participant SRO will maintain an Internet site that includes a comprehensive list of links (''Link Site'') where the files can be obtained for all of the market centers for which the Participant functions as a Designated Participant. As a result, anyone who wishes to download all files for a month can be assured that, if they visit the Internet sites of all Participants, they will find hyperlinks to all files for the month.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed Plan is consistent with the Exchange Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments to the proposed Plan, all written statements with respect to the proposed Plan that are filed with the Commission, and all written communications relating to the proposed Plan 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 at the Commission's Public Reference Room. All submissions should refer to File No. 4–208 and should be submitted by March 20, 2001.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

Appendix—Text Of Plan

The Participants submit to the SEC this Plan establishing procedures for market centers to follow in making available to the public the monthly reports required by Rule 11Ac1–5 in a uniform, readily accessible, and usable electronic form. The Participants developed this Plan pursuant to paragraph (b)(2) of the Rule, which directs the Participants to act jointly in establishing such procedures.

I. Definitions

(a) ''Designated Participant'' means the Participant with which each market center has made the arrangements set forth in Section VIII of the Plan.

(b) ''Exchange Act'' means the Securities Exchange Act of 1934, as amended.

(c) ''Participant'' means a party to the Plan.

(d) ''Plan'' means the plan set forth in this instrument, as amended from time to time in accordance with its provisions.

(e) ''Rule'' means Rule 11Ac1–5 under the Exchange Act.

(f) ''SEC'' means the United States Securities and Exchange Commission.

(g) All terms defined in paragraph (a) of the Rule shall have the same meaning when used in the Plan, unless otherwise specified.

II. Parties

(a) List of Parties

The parties to the Plan are as follows:

American Stock Exchange LLC (''Amex''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 86 Trinity Place, New York, New York 10006.

Boston Stock Exchange, Inc. (''BSE''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 100 Franklin Street, Boston, Massachusetts 02110.

Chicago Stock Exchange, Inc. (''CHX''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 440 South LaSalle Street, Chicago, Illinois 60605.

Cincinnati Stock Exchange, Inc. (''CSE''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 440 South LaSalle Street, Suite 2600, Chicago, Illinois 60605.

National Association of Securities Dealers, Inc. (''NASD''), registered as a national securities association under the Exchange Act and having its principal place of business at 1735 K Street, N.W., Washington, D.C. 20006.

New York Stock Exchange, Inc. (''NYSE''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 11 Wall Street, New York, New York 10005.

Pacific Exchange, Inc. (''PCX''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 301 Pine Street, San Francisco, California 94104.

Philadelphia Stock Exchange, Inc. (''Phlx''), registered as a national securities exchange under the Exchange Act and having its principal place of business at 1900 Market Street, Philadelphia, Pennsylvania 19103.

(b) Compliance Undertaking

By subscribing to and submitting the Plan for approval by the SEC, each Participant agrees to comply with and to enforce compliance by its members with the provisions of the Plan.

(c) New Participants

The Participants agree that any entity registered as a national securities exchange or national securities association under the Exchange Act may become a Participant by: (i) executing a copy of the Plan, as then in effect; (ii) providing each then-current Participant with a copy of such executed Plan; and (iii) effecting an amendment to the Plan as specified in Section III(b) of the Plan.

III. Amendments to Plan

(a) General Amendments

Except with respect to the addition of new Participants to the Plan, any proposed change in, addition to, or deletion from the Plan shall be effected by means of a written amendment to the Plan that: (A) Sets forth the change, addition, or deletion; (B) is executed on behalf of each Participant; and (C) is approved by the SEC or otherwise becomes effective pursuant to Section 11A of the Exchange Act and Rule 11Aa3–2 thereunder.

(b) New Participants

With respect to new Participants, an amendment to the Plan may be effected by the new national securities exchange or national securities association executing a copy of the Plan, as then in effect (with the only changes being the addition of the new Participant's name in Section II(a) of the Plan and the new Participant's single-digit code in Section VI(a)(1) of the Plan) and submitting such executed Plan to the SEC for approval. The amendment will be effective when it is approved by the SEC or otherwise becomes effective pursuant to Section 11A of the Exchange Act and Rule 11Aa3–2 thereunder.

(c) Advisory Committee on Plan Amendments

(1) Each Participant shall select from its staff one individual to represent such Participant as a member of an Advisory Committee on Plan Amendments (''Advisory Committee''), together with a substitute for such individual. Such substitute may participate in deliberations of the Advisory Committee and shall be considered a voting member thereof only in the absence of the primary representative. Each Participant shall have one vote on all matters considered by the Advisory Committee.

(2) The Advisory Committee shall monitor the procedures established pursuant to this

Plan and advise the Participants with respect to any deficiencies, problems, or recommendations as the Advisory Committee may deem appropriate. Any recommendation for an amendment to the Plan from the Advisory Committee that receives an affirmative vote of at least two-thirds of the Participants, but is less than unanimous, shall be submitted to the SEC as a request for rulemaking under Exchange Act Rule 11Aa3–2.

IV. Overview of Plan Procedures

Any market center required by the Rule to make monthly reports available to the public shall prepare such reports in the form of electronic data files that meet the requirements set forth in Sections V and VI of the Plan. A market center shall make its files available for downloading on an Internet site in accordance with the provisions set forth in Section VII of the Plan. In accordance with Section VIII of the Plan, each market center [1] shall make arrangements with a single Participant to act as the market center's Designated Participant. A market center shall notify its Designated Participant of a hyperlink to the Internet site where its files can be downloaded. Each Participant will maintain an Internet site that includes a comprehensive list of links where the files can be obtained for all of the market centers for which the Participant functions as a Designated Participant.

V. File Type, Compression, and Naming

Files shall be prepared in standard, pipe-delimited (''|'') ASCII format and compressed using standard Zip compression. Uncompressed files shall be named according to the following convention: ''[file identification code][six-digit date code (yyyymm)].dat''. A market center will use the file identification code assigned to it pursuant to section VIII of the Plan. The date code shall refer to the calendar month of trading for the market center report contained in the file. Compressed files will be named according to the same convention, except that the extension will be ''.zip''.

VI. File Structure

(a) Order and Format of Fields

(1) The first field in a file shall be the code identifying the Participant that is acting as Designated Participant for the market center under Section VIII of the Plan. The Participant identification codes are as follows: Amex—''A''; BSE—''B''; CHX—''M''; CSE—''CSE''; NASD—''T''; NYSE—''N''; PCX—''P''; Phlx—''X''.

(2) The next field in a file shall be the code identifying the market center, as assigned by a Designated Participant pursuant to Section VIII of the Plan.

(3) The next field in a file shall be the six-digit code identifying the date of the calendar month of trading for the market center report contained in the file (''yyyymm'').

(4) The next field in a file shall be the symbol assigned to an individual security under the national market system plan pursuant to which the consolidated best bid and offer for such security are disseminated on a current and continuous basis.

(5) The next field in a file shall be the code for the one of the five types of order by which the Rule requires a market center to categorize its report. The order type codes are as follows: market orders—''11''; marketable limit orders—''12''; inside-the-quote limit orders—''13''; at-the-quote limit orders—''14''; near-the-quote limit orders—''15''.

(6) The next field in a file shall be the code for one of the four order size buckets by which the Rule requires a market center to categorize its report. The order size codes are as follows: 100–499 shares— ''21''; 500–1999 shares—''22''; 2000–4999 shares—''23''; 5000 or more shares— ''24''.

(7) The next field in a file shall be the number of covered orders, as specified in paragraph (b)(1)(i)(A) of the Rule.

(8) The next field in a file shall be the cumulative number of shares of covered orders, as specified in paragraph (b)(1)(i)(B) of the Rule.

(9) The next field in a file shall be the cumulative number of shares of covered orders cancelled prior to execution, as specified in paragraph (b)(1)(i)(C) of the Rule.

(10) The next field in a file shall be the cumulative number of shares of covered orders executed at the receiving market center, as specified in paragraph (b)(1)(i)(D) of the Rule.

(11) The next field in a file shall be the cumulative number of shares of covered orders executed at any other venue, as specified in paragraph (b)(1)(i)(E) of the Rule.

(12) The next field in a file shall be the cumulative number of shares of covered orders executed from 0 to 9 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(F) of the Rule.

(13) The next field in a file shall be the cumulative number of shares of covered orders executed from 10 to 29 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(G) of the Rule.

(14) The next field in a file shall be the cumulative number of shares of covered orders executed from 30 to 59 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(H) of the Rule.

(15) The next field in a file shall be the cumulative number of shares of covered orders executed from 60 to 299 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(I) of the Rule.

(16) The next field in a file shall be the cumulative number of shares of covered orders executed from 5 minutes to 30 minutes after the time of order receipt, as specified in paragraph (b)(1)(i)(J) of the Rule.

(17) The next field in a file shall be the average realized spread for executions of covered orders, as specified in paragraph (b)(1)(i)(K) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

(18) The next field in a file shall be the average effective spread for executions of covered orders, as specified in paragraph (b)(1)(ii)(A) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

(19) The next field in a file shall be the cumulative number of shares of covered orders executed with price improvement, as specified in paragraph (b)(1)(ii)(B) of the Rule.

(20) The next field in a file shall be, for shares executed with price improvement, the share-weighted average amount per share that prices were improved, as specified in paragraph (b)(1)(ii)(C) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

(21) The next field in a file shall be, for shares executed with price improvement, the share-weighted average period from the time of order receipt to the time of order execution, as specified in paragraph (b)(1)(ii)(D) of the Rule. The period shall be expressed in number of seconds and carried out to one decimal place.

(22) The next field in a file shall be the cumulative number of shares of covered orders executed at the quote, as specified in paragraph (b)(1)(ii)(E) of the Rule.

(23) The next field in a file shall be, for shares executed at the quote, the share-weighted average period of time from the time of order receipt to the time of order execution, as specified in paragraph (b)(1)(ii)(F) of the Rule. The period shall be expressed in number of seconds and carried out to one decimal place.

(24) The next field in a file shall be the cumulative number of shares of covered orders executed outside the quote, as specified in paragraph (b)(1)(ii)(G) of the Rule.

(25) The next field in a file shall be, for shares executed outside the quote, the share-weighted average amount per share that prices were outside the quote, as specified in paragraph (b)(1)(ii)(H) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

(26) The next field in a file shall be, for shares executed outside the quote, the share-weighted average period of time from the time of order receipt to the time of order execution, as specified in paragraph (b)(1)(ii)(I) of the Rule. The period shall be expressed in number of seconds and carried out to one decimal place.

(b) Records

Files shall have separate records for each combination of security, order type, and order size by which a market center must categorize its report under the Rule (a maximum of 20 records for each individual security).[2] The end of each record shall be designated by a carriage return line feed. If there are no orders on which a market center must report during a month for a specific combination of security, order type, and order size, no record for such combination need be displayed. If there is no data for a particular field within a record (*e.g.,* the Rule does not require such information for inside-

[1] An entity that acts as a market maker in different trading venues (*e.g.,* as specialist on an exchange and as an OTC market maker) would be considered as a separate market center under the Rule for each of those trading venues. Consequently, the entity should arrange for a Designated Participant for each market center/trading venue (*e.g.,* an exchange for its specialist trading and an association for its OTC trading).

[2] For each individual security, there are five order types that could each be broken down into four size buckets.

the-quote limit orders, at-the-quote limit orders, and near-the-quote limit orders), the field shall be left empty.

VII. Internet Sites for Downloading Market Center Files

A market center shall make its compressed files available for downloading (via FTP) at a single page on an Internet site that is free of charge and readily accessible to the public.[3] A market center shall make available on such page the files containing at least the three most recent monthly reports of the market center.

VIII. Functions of Designated Participant

Each market center shall be responsible for arranging with a single Participant to act as the market center's Designated Participant.[4] The functions of a Designated Participant are as follows.

(a) Assignment of Market Center and File Identification Codes

A Designated Participant shall assign a unique market center identification code to each market center for which it acts as Designated Participant. If an individual market center's report will be included in a file that contains only that market center's report, the file identification code for the file shall be the same as the market center identification code. If an individual market center's report will be included in a file that contains any additional market center's report (*e.g.,* if the reports for all of an exchange's specialists are included in a single file), the Designated Participant also shall assign a separate file identification code for such file. All Designated Participants will act jointly to assure that no market center or file is assigned a code that previously has been assigned (*e.g.,* by circulating advance notice to all Participants of codes that have been assigned).

(b) Maintenance of Market Center Identification Files

A Designated Participant shall create and maintain a market center identification file (in standard, pipe-delimited (''|'') ASCII format) for each calendar month. Such file shall contain fields setting forth, in order, (A) the identification code for the Designated Participant (as set forth in Section VI(a)(1) of the Plan); (B) all market center identification codes that the Designated Participant has assigned for the month, (C) the full name of the market center (in upper case), and (D) the file identification code applicable to each market center (if different from the market center identification code). A Designated Participant shall make at least the three most recent market center identification files available for downloading (via FTP) on an Internet site that is free of charge and easily accessible to the public.

(c) Maintenance of Internet Site with Links to Download Sites

A market center shall notify its Designated Participant of the hyperlink to the location where the market center's files can be downloaded in accordance with Section VII of the Plan. A Designated Participant shall maintain a comprehensive list of the hyperlinks provided by its market centers at the same location at which market center identification files can be downloaded in accordance with Section VIII(b) of the Plan. As a result, anyone who wishes to download all files for a month can be assured that, if they visit the Internet sites of all Participants, they will find hyperlinks to all files for the month.

(d) Change of Designated Participant

A market center may change the identity of its Designated Participant only by arranging with another Participant to act as a replacement. The Participant that has agreed to act as a replacement Designated Participant shall provide written notice of the change to all other Participants, as well as make such notice available on the Internet site maintained by the replacement Designated Participant under Section VIII(b) of the Plan. The notice shall specify both the past and new market center identification code and file identification code for the market center, or state that the codes have not changed. The change shall not be effective until 30 days after the date of the written notice.

IX. Internet References to Information Required by Rule

When referring to information on Internet sites that the Rule requires to be made available to the public, market centers and Designated Participants shall use the phrase ''Disclosure of SEC-Required Order Execution Information.''

X. Specifying Regular Trading Hours Under the Rule

With respect to the meaning of the term ''regular trading hours'' under paragraph (a)(19) of the Rule, the Participant who maintains the primary listing for a national market system security shall specify the regular trading hours for such security if they are to be other than the time between 9:30 a.m. and 4:00 p.m. Eastern Time. To effect a specification of regular trading hours under this Section X, a Participant shall submit a proposed rule change to the SEC under Section 19 of the Exchange Act. A Participant may specify as regular trading hours for a security only those times when the Participant itself is trading the security.

XI. Withdrawal from Plan

If a Participant ceases to be subject to the Rule or obtains SEC approval for another means of complying with the Rule, such Participant may withdraw from the Plan at any time on not less than 30 days' prior written notice to each of the other Participants. At such time, the withdrawing Participant shall have no further rights or obligations under the Plan.

XII. Counterparts and Signatures

The Plan may be executed in any number of counterparts, no one of which need contain all signatures of all Participants, and as many of such counterparts as shall together contain all such signatures shall constitute one and the same instrument.

In Witness Thereof, this Plan has been executed as of the 20th day of February 2001 by each of the parties hereto.

[FR Doc. 01–4748 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–P

[3] A market center can maintain its own Internet site at which its files can be downloaded or arrange for another person to maintain the Internet site at which the market center's files can be downloaded (as well as potentially the files of other market centers).

[4] *See* note 1 above for treatment of an entity that acts as a market maker in more than one trading venue and therefore would arrange for a Designated Participant for each market center/trading venue under the Rule.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43984; File No. SR–CBOE–00–13]

Self Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc. Amending Procedures and Requirements for Trading in Joint Accounts in Equity and Index Options

February 20, 2001.

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 April 3, 2000, the Chicago Board Options Exchange, Inc. (''CBOE'' 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 Exchange. On January 8, 2001, the CBOE filed Amendment No. 1 with the Commission.[3] The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Letter from Timothy Thompson, Assistant General General Counsel, Legal Department, CBOE, to Deborah Flynn, Senior Special Counsel, Division of Market Regulation (''Division''), Commission, dated October 23, 2000 (''Amendment No. 1''). In response to comments from Commission staff, the Exchange submitted Amendment No. 1, which: (i) States that staff at the American Stock Exchange LLC, International Securities Exchange LLC, Pacific Exchange, Inc., and Philadelphia Stock Exchange, Inc. have informed the CBOE that their respective regulatory policies do not include any specific rule or regulatory circular that addresses wash sale transactions or that prohibits trading between joint accounts with common participants; (ii) represents that the proposed rule change makes the CBOE's rules and regulatory policies regarding transactions between related accounts or entities consistent with those in place at the other options exchanges; and (iii) cites three letters that were submitted by CBOE members to the Exchange in support of the rule filing.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The CBOE proposes to amend Interpretation .06 to Exchange Rule 8.9 and Exchange Regulatory Circulars RG 98–94 and RG 98–95, which set forth Exchange procedures and requirements for trading in joint accounts in equity and index options, to allow certain transactions between joint accounts that have common participants. The text of the proposed rule change is set forth below. Deletions are in brackets.

* * * * *

RULE 8.9

No change.

Interpretations and Policies:

.01–.05—No change.

.06—No participant in a joint account shall effect a transaction, in person or via order, either for his own account or for the joint account, with another member acting on behalf of the joint account. [In addition, no joint account participant shall cause a transaction to be executed for the joint account with another member acting on behalf of another joint account if the member knows or, in the exercise of reasonable care under the circumstances, the member has reason to know that the two joint accounts have one or more common participants.]

* * * * *

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 CBOE 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 Exchange 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

Section 9(a)(1)(A) of the Exchange Act prohibits any person from effecting any transaction in any securities registered on a national securities exchange, which involves no change in beneficial ownership, for the purpose of creating a false or misleading appearance of active trading in any such security.[4] In the early 1980s, the CBOE adopted a regulatory interpretation of this ''wash sale'' rule that prohibited trading between related accounts with greater than 10% common ownership. The 10% threshold was consistent with the standard used in Exchange Rule 4.11 (Position Limits), which states that common control, among other factors, will be presumed if an individual or entity has greater than 10% ownership. The CBOE's wash sale interpretation is not specifically addressed in any existing CBOE rule; rather, it was largely communicated to the membership verbally, or in written communication regarding non-aggregation of accounts for position limit compliance.[5] Any violation of this prohibition is considered a violation of Exchange Rule 4.1 (Just and Equitable Principles of Trade).

The Exchange adopted Interpretation .06 to Exchange Rule 8.9 to extend this trading prohibition to market maker joint accounts that have common participants. Interpretation .06 to Exchange Rule 8.9 and Exchange Regulatory Circulars[6] state that ''no joint account participant shall cause a transaction to be executed for the joint account with another member acting on behalf of another joint account if the member knows, or in the exercise of reasonable care under the circumstances, the member has reason to know that the two joint accounts have one or more common participants.'' This language expressly imposed a knowledge requirement as an element of the offense of effecting a transaction between joint accounts with common participants.[7]

The Exchange adopted Interpretation .06 event though it believed that, in many instances, the trading in joint accounts with common participants is not effected by the same common joint account participant. The Exchange also recognized that market makers are not always in the position to know whether there are common joint account participants because of the frequency in which joint account composition may change. Although joint accounts may have common participants, common ownership between joint accounts is typically widely diverse.

The CBOE believes that its current interpretation of a wash sale is more restrictive than the rules in place at other national securities exchanges and the SEC.[8] The Exchange represents that its current interpretation of a wash sale does not promote a level playing field for its members vis-à-vis other exchanges' members and thus, places the Exchange at a competitive disadvantage. The Exchange states that it has also received requests from individual members who provide financial backing to other members via joint accounts, and from member organizations with affiliated broker/dealer entities, to provide exemptions from this regulatory policy.[9] These members argued that such related accounts are structured as separate profit centers and are operated by affiliates independently, and separate books and records are maintained for these accounts. Moreover, these members stated that it is burdensome to monitor their associated accounts to ensure that the accounts do not trade together when the common joint account participants are not aware of what the other associated account is trading. Therefore, the Exchange proposes to alter its long-standing regulatory interpretation so that certain transactions effected between joint accounts with common participants would be permitted, provided that such transactions are effected within Exchange rules.

[4] 15 U.S.C. 78i(a)(1)(A).

[5] Members who have been granted non-aggregation pursuant to Exchange Rule 4.11.03 are advised in writing that although non-aggregation has been granted, trading between the subject associated accounts is prohibited.

[6] The Regulatory Circular governing joint account trading in certain index options was approved in Securities Exchange Act Release No. 31174 (September 10, 1992), 57 FR 42789 (September 16, 1992). The Regulatory Circular governing joint account trading in equity options was approved in Securities Exchange Act Release No. 36977 (March 15, 1996), 61 FR 11911 (March 22, 1996.

[7] *See* Securities Exchange Act Release No. 38286 (February 13, 1997), 62 FR 8287 (February 24, 1997) (SR–CBOE–96–70).

[8] The Exchange represents that staff at the American Stock Exchange LLC, International Securities Exchange LLC, Pacific Exchange, Inc., and Philadelphia Stock Exchange, Inc. have informed the CBOE that their respective regulatory policies do not include any specific rule or regulatory circular that addresses wash sale transactions or that prohibits trading between joint accounts with common participants. The Exchange also believes that under section 9(a)(1)(A) of the Exchange Act, only those transactions that involve no change in beneficial ownership and that are effected for an improper purpose, such as creating a false and misleading appearance of market activity, would be considered a violation of the Exchange Act. *See* Amendment No. 1, *supra* note 3.

[9] Letter from Patricia Levy, General Counsel, and Steven O'Malley, Compliance & Regulatory Officer, Hull Trading Company, LLC, to Mary Bender, Senior Vice President, Division of Regulatory Services, CBOE, dated August 13, 1999 (''Hull Letter'') and Letter from William J. Shimanek, Kesssler Asher Clearing, to Pat Cerny, CBOE, dated April 24, 1996 (''Kessler Letter''). The Exchange notes that Kessler Asher Clearing is no longer an effective member of the CBOE. *See* Amendment No. 1, *supra* note 3. The Exchange also received a letter from Fulcrum Investment Group LLC (''Fulcrum'') urging the Exchange to liberalize its policy on wash sales. Letter from Michael J. Carusillo, Chief Executive Officer, and Barbara McHugh, President, Fulcrum Investment Group, LLC, to Pat Cerny, Director, Department of Market Regulation, CBOE, dated July 17, 1998 (''Fulcrum Letter''). This letter is discussed in Section II.C. of this Notice.

The proposed rule change would enable common participants to trade between related joint accounts that are used as financing vehicles without violating Exchange Rule 8.9. The Exchange proposes that the following activity be permitted: (1) Trading between different market makers or other broker/dealer accounts that are financed by the same member where there is no common control over the trading activity in those accounts; and (2) trading between independently operated subsidiaries (*i.e.*, separate broker/dealers) of the same parent or holding company.[10]

The Exchange represents that it will continue to prohibit the following activity: (1) Market makers trading with their joint account, even though their percentage of ownership is less than 100% (for instance, market maker ABC finances market maker XYZ via a joint account and ABC is a participant in the joint account. Ownership is 50% and XYZ makes his own trading decisions. ABC is still prohibited from trading directly with the joint account of which he is a member); (2) nominees of the same entity trading with each other on behalf of the entity; (3) firm traders employed by the same broker/dealer on different trading desks trading together, regardless of whether they are separate profit centers; and (4) spouses trading together.

The Exchange represents that under the proposed rule change, transactions between related joint accounts that are effected for an improper purpose, such as trades executed to create a false and misleading appearance of activity, would continue to violate Exchange Rule 4.1 (Just and Equitable Principles of Trade). The Exchange states that its Department of Market Regulation will continue to monitor trading between accounts with common beneficial ownership for trading abuses.

2. Statutory Basis

The Exchange represents that the proposed rule change is consistent with section 6(b) of the Act,[11] in general, and furthers the objectives of section 6(b)(5),[12] in particular, in that it is designed to promote just and equitable principles of trade and to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange received a letter from Fulcrum urging the Exchange to re-evaluate its policy on trading between joint accounts.[13] Fulcrum states that it is appropriate to allow trading between joint accounts where control has been successfully refuted. In addition, Fulcrum notes that stock exchange interpretations specifically state that a trade between a parent and its wholly-owned broker-dealer affiliate results in a change in beneficial ownership subject to trade reporting, and therefore would not be considered a wash sale. Fulcrum urges the Exchange to relax its policy to permit legitimate trading activity between joint accounts.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 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 90 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 Exchange 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, as amended, 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 20549–0609. 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 at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to the File No. SR–CBOE–00–13 and should be submitted by March 20, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[14]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4755 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[10] The Exchange has represented that it will issue a regulatory circular informing members of permitted and prohibited trading activity among joint accounts.

[11] 15 U.S.C. 78f(b).

[12] 15 U.S.C. 78f(b)(5).

[13] Fulcrum Letter, *supra* note 9. In addition, the Exchange represents that its regulatory staff has had numerous conversations with members since the Exchange first considered changing its regulatory policy regarding transactions between accounts with common ownership.

[14] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43983; File No. SR–ISE–01–02]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the International Securities Exchange LLC, Relating to Anticipatory Hedging Activity

February 20, 2001.

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 January 12, 2001, the International Securities Exchange LLC (the ''Exchange'' or the ''ISE'') 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 by the Exchange. 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 Exchange is proposing to adopt Supplementary Material .02 to Rule 400 (Just and Equitable Principals of Trade). Supplementary Material .02 states that it may be considered conduct inconsistent with just and equitable principles of trade for any member or person associated with a member, who has knowledge of all material terms and conditions of (1) an order and a solicited

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

order, (2) an order being facilitated, or (3) orders being crossed, the execution of which are imminent, to enter, based on such knowledge, an order to buy or sell an option of the same class as any option that is the subject of the order, or an order to buy or sell the security underlying such class, or an order to buy or sell any related instrument.

This prohibition of the proposed rule change would continue until either (1) all of the terms of the order of which the member or associated person has knowledge are disclosed to the trading crowd, or (2) the trade can no longer reasonably be considered imminent in view of the passage of time since the order was received. The rule specifies that the terms of an order are ''disclosed'' to the trading crowd on the Exchange when the order is entered into the System or into the Facilitation Mechanism.

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 ISE 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 Exchange 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 Exchange is proposing to adopt Supplementary Material .02 to Rule 400 (Just and Equitable Principles of Trade) to prohibit the use of non-public information received during the facilitation and solicitation processes. ISE Rule 717(d)–(e), in conjunction with ISE Rule 716(d), required that orders be displayed to the trading crowd before being crossed with facilitation orders or orders that have been solicited. The purpose of this requirement is to provide the trading crowd with an opportunity to participate in the transaction with the facilitating member or the solicited party.

The Exchange seeks to codify its policy prohibiting either a member or a person associated with a member from using non-public information for the member's benefit by trading in the underlying stock or in related instruments prior to exposing the order to the trading crowd. This policy prevents members and associated persons from using undisclosed information about imminent options transactions to trade the relevant option or any closely related instrument in advance of the trading crowd. Such action would undermine the ability of crowd participants to participate in the execution of the order at equally favorable terms as the member representing the order.

2. Statutory Basis

The basis for this proposed rule change is the requirement under section 6(b)(5) of the Act [3] that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes that the proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Act

Within 35 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 90 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 ISE 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 20549-0609. 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 Room. Copies of the filing will also be available for inspection and copying at the principal offices of the Exchange. All submissions should refer to File No. SR–ISE–01–02 and should be submitted by March 20, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[4]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4756 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[3] 15 U.S.C. 78f(b)(5).

[4] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43988; File No. SR–NASD–00–37]

Self-Regulatory Organizations; Notice of Withdrawal of Proposed Rule Change by the National Association of Securities Dealers, Inc., Relating to Permanent Approval of the Nasdaq Application of the OptiMark System

February 20, 2001.

On June 19, 2000, the National Association of Securities Dealers, Inc. (''NASD''), through its subsidiary the Nasdaq Stock Market, Inc. (''Nasdaq''), filed with the Securities and Exchange Commission (''Commission'') a proposed rule change, pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] to seek permanent approval of the Nasdaq Application of the OptiMark System without any restrictions on the trading activity to be conducted through the facility. Notice of the proposed rule change was published on August 9, 2000, in the **Federal Register**, to solicit comment from

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

interested persons.[3] On February 12, 2001, the Nasdaq withdrew the proposed rule change.[4]

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[5]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4750 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43986; File No. SR–PCX–01–10]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. Relating to an Interim Intermarket Linkage Program

February 20, 2001.

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 February 6, 2001,[3,4] the Pacific Exchange, Inc. (''PCX'' or ''Exchange'') 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 by the PCX. PCX filed the proposal pursuant to section 19(b)(3)(A) of the Act,[5] and Rule 19b–4(f)(6) thereunder,[6] which renders the proposal effective upon filing with the Commission.[7] 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 PCX is proposing to adopt a rule providing for the implementation of ''interim linkages'' with other option exchanges.[8]

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 PCX 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 PCX 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 this proposed rule change is to implement certain aspects of an intermarket options linkage on an ''interim'' basis.[9] This interim linkage would utilize existing systems to facilitate the sending and receiving of order flow between PCX market makers and their counterparts on the other option exchanges as an interim step towards development of a ''permanent'' linkage.

The Commission has approved a linkage plan that now includes all five option exchanges.[10] The option exchanges continue to work towards implementation of this linkage. However, because the implementation may take a significant amount of time, the option exchanges have discussed implementing an ''interim'' linkage. Such a linkage would use the existing market infrastructure to route orders between market makers on the participating exchanges in a more efficient manner.

The key component of the interim linkage would be for the participating exchanges to open their automated customer execution systems, on a limited basis, to market maker orders. Specifically, market makers would be able to designate certain orders as ''customer'' orders, and thus would receive automatic execution of those orders on participating exchanges.

This proposed rule would authorize the PCX to implement bilateral or multilateral interim arrangements with the other exchanges to provide for equal access between market makers on our respective exchanges. The Exchange currently anticipates that the initial arrangements would allow PCX Designated Lead Market Makers (''LMMs'') and their equivalents on the other exchanges, when they are holding customer orders, to effectively send those orders to the other market for execution when the other market has a better quote. Such orders would be limited in size to the lesser of the size of the two markets' automatic execution size for customer orders.

All interim linkage orders must be ''immediate or cancel'' (that is, they cannot be placed on an exchange's limit order book), and a market maker may send a linkage order only when the other (receiving) market is displaying the national best bid or offer and the sending market is displaying an inferior price. This will allow a market maker to access the better price for its customer. In addition, if the interim linkage includes principal orders, it would allow market makers to attempt to ''clear'' another market displaying a superior quote. Any exchange participating in the interim linkage will implement heightened surveillance procedures to help ensure that their market makers send only properly-qualified orders through the linkage.

LMM participation in the interim linkage will be voluntary. Only when an LMM and its equivalent on another exchange believe that this form of mutual access would be advantageous will the exchanges employ the interim linkage procedures. The PCX believes that the interim linkage will benefit investors and will provide useful experience that will help the exchanges in implementing the full linkage.

2. Statutory Basis

The PCX believes that the proposed rule change meets the requirement of section 6(b)(5) under the Act[11] in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transaction in securities to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in

---

[3] Securities Exchange Act Release No. 43107 (Aug. 2, 2000), 65 FR 48771.

[4] *See* letter from Peter R. Geraghty, Assistant General Counsel, Nasdaq, to John Polise, Senior Special Counsel, Division of Market Regulation, Commission, dated February 12, 2001.

[5] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3–4] On February 9, 2001, the Exchange submitted Amendment No. 1 to the proposed rule change. *See* letter from Michael Pierson, Vice President, Regulatory Policy, PCX, to John Roeser, Attorney, Division of Market Regulation, Commission, dated February 8, 2001 (''Amendment No. 1''). In Amendment No. 1, the PCX made technical changes to the proposed rule text.

[5] 15 U.S.C. 78s(b)(3)(A).

[6] 17 CFR 240.19b–4(f)(6).

[7] The Commission has agreed to waive the 5-day pre-filing notice requirement. *See* 17 CFT 240.19b–4(f)(6)(iii).

[8] On January 30, 2001, the Commission approved similar proposals submitted by the Chicago Board Options Exchange, Inc. (''CBOE'') and the International Securities Exchange LLC (''ISE''). *See* Securities Exchange Act Release No. 43904 (January 30, 2001), 66 FR 9112 (February 6, 2001).

[9] Under the proposal, the interim linkage would be for a pilot period expiring on January 31, 2002.

[10] *See* Securities Exchange Act Release Nos. 43086 (July 28, 2000), 65 FR 48023 (August 4, 2000); 43573 (November 16, 2000), 65 FR 70851 (November 28, 2000); and 43574 (November 16, 2000), 65 FR 70850 (November 28, 2000).

[11] 15 U.S.C. 78f(b)(5).

general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any 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 solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not:

(i) Significantly affect the protection of investors or the public interest;

(ii) Impose any significant burden on competition; and

(iii) Become operative for 30 days from the date on which it was filed, or such shorter times as the Commission may designate, it has become effective pursuant to section 19(b)(3)(A) of the Act[12] and Rule 19b–4(f)(6) thereunder.[13] 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.[14]

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, 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 20549–0609. 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 Room. Copies of such filing will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR–PCX–01–10 and should be submitted by March 20, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[15]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4753 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[12] 15 U.S.C. 78s(b)(3)(A).

[13] 17 CFR 240.19b–4(f)(6).

[14] The Commission has approved similar interim linkage proposals submitted by the CBOE and the ISE. *See supra* note 8.

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43972; File No. SR–Phlx–00–48]

Self-Regulatory Organizations; Order Approving a Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Telephone Use on the Options Floor

February 15, 2001.

I. Introduction

On June 16, 2000, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') submitted to the Securities and Exchange Commission (''Commission''), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b-4 thereunder,[2] a proposed rule change establishing rules on telephone use on the options floor. The Exchange filed Amendment No. 1 to the proposed rule change on December 1, 2000.[3] The **Federal Register** published the proposed rule change, as amended, for comment on December 28, 2000.[4] The Commission received no comments on the proposal. This order approves the proposal, as amended.

II. Description of Proposal

The Phlx proposes to amend Exchange Rule 606 to establish rules and procedures for telephone use on the Phlx's options floor.[5] The proposed rule contemplates that certain types of telephones (*i.e.,* cellular phones) may be used for personal purposes.[6] The proposed rule would limit the use of telephones on the options floor for business purposes, depending on the category of user (specialist, registered options trader (''ROT''), floor broker, or clerk).

The proposed rule change would require members and member organizations to register by category of user any new telephone to be used on the options floor prior to use. Registration and maintenance of registration records would be handled through the Exchange's Membership Services Department. If there is a change in the category of user, the telephone must be re-registered with the Exchange. At the time of registration, the user must sign a statement that the user is aware of and understands the rules governing the use of telephones on the options floor. The Exchange believes that this should facilitate record keeping and also should enhance the ability of the Exchange's Market Surveillance Department to investigate potential violations of the rule.

The proposed rule also would provide that no person on the options floor may use any device, including, but not limited to, intercoms, walkie-talkies, and similar devices, for the purpose of maintaining an open line of communication whereby a person not located in a trading crown may continuously monitor the activities of that crowd.

The proposed rule specifies the capacity and functionality permitted for use of telephones on the options floor. Specifically, proposed Phlx 606(e)(2) provides that no wireless telephone on the options floor may have an output of more than one watt.

The purpose of this provision is to minimize the possibility of radio frequency or other interference with the systems of the Exchange of those of other members.[7]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] The Exchange submitted a new Form 19b-4, which replaced and superseded the original filing (''Amendment No. 1''). Amendment No. 1 amended the purpose section of the proposed rule change to provide a description of provisions governing floor brokers, registered options traders, general access phones, and exchange liability. Amendment No. 1 also clarified that registration and maintenance of registration records is handled through the Exchange's Membership Services Department. Finally, Amendment No. 1 amended proposed Phlx Rule 606(e)(3) to include specialists.

[4] Securities Exchange Act Release No. 43740 (December 19, 2000), 65 FR 82437.

[5] The proposal will also be set forth in new Options Floor Procedure Advice (''OFPA'') F–31.

[6] All categories of users are permitted to make and receive personal phone calls, subject to existing prohibitions when necessary because of electronic interference. Telephone calls between Rick Rudolf, Counsel, Phlx, and Sonia Patton, Staff Attorney, Commission (December 18, 2000).

[7] Currently, Exchange Rule 606(b)(2) prohibits members, member organizations and any person associated with a member organization from establishing or maintaining any telephonic, electronic or wireless transmitting system or device, and from operating any other equipment on the Options Floor, that creates radio frequency or other interference with the systems of the Exchange or other members.

The proposed rule sets forth specific guidelines for each category of user on the options floor. Proposed Phlx Rule 606(e)(3) would provide that specialists and ROTs on the trading floor may use their own cellular and cordless phones to place calls to any person at any location (whether on or off the options floor).[8] Any telephonic order entered from off the options floor must be placed with a person located in a floor broker booth.

Proposed Phlx Rule 606(e)(4) would allow floor brokers to use cellular and cordless phones, but only to communicate with persons located on the options floor. The proposed rule would prohibit floor brokers from receiving telephonic orders while in the trading crowd. Orders phoned to floor brokers must be received at the floor broker's booth.[9]

Proposed Phlx Rule 606(e)(5) would provide that floor broker clerks and stock execution clerks are subject to the same terms and conditions on telephone use as floor brokers.

Proposed Phlx Rule 606(e)(6) states that the general access in-house telephones located outside of the trading post areas may be used by any member, clerk or floor broker to communicate with persons located on the options floor or within the Exchange complex.

Proposed Phlx Rule 606(e)(7) would require members to maintain all cellular or cordless telephone records for at least one year, and provides the Exchange the right to inspect and/or examine these records.

Finally, proposed Phlx Rule 606(e)(8) states that the Exchange assumes no liability to members or member organizations due to conflicts between telephones in use on the options floor or due to electronic interference problems resulting from the use of telephones on the trading floor.

Proposed OFPA F–31 contains the same provisions as proposed Rule Phlx 606(e) in order to facilitate on-floor reference to the Exchange's regulations regarding on-floor communications devices.

[8] Specialists are also permitted to receive incoming calls, but cannot receive orders from the trading crowd. The Phlx has also noted that there is nothing in their rules that would prohibit specialists from using their phones to solicit orders, as long as the solicitations are consistent with Phlx Rule 1064(c). Telephone call between Rick Rudolf, Counsel, Phlx, and Sonia Patton, Staff Attorney, Commission (December 18, 2000).

[9] Someone from the floor broker's booth would be permitted to call a floor broker to request the broker come and pick up an order from the booth. Telephone call between Rick Rudolf, Counsel, Phlx, and Sonia Patton, Staff Attorney, Commission (December 18, 2000)

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[10] In particular, the Commission finds that the proposed rule change meets the requirements of section 6(b)(5) of the Act,[11] which states that, among other things, the rules of an exchange must be designed to facilitate securities transactions and to remove impediments to and perfect the mechanism of a free and open market, and to protect investors and the public interest. Specifically, the Commission finds that the requirements of the proposed rule governing the use of telephones on the options floor and the proposed restrictions on each category of user are reasonable and consistent with the maintenance of fair and orderly markets.

Proposed Phlx Rule 606(e)(3) contains restrictions on telephone use by specialists and ROTs. The rule permits specialists and ROTs to use their own cellular or cordless phones to place calls to any person at any location. However, ROTs located off of the trading floor may not place an order by calling a floor broker, or a specialist, located in the trading crowd. Any telephonic order entered from off of the trading floor must be placed with the member firm booth. Because specialists and ROTs generally do not deal directly with public customers, the Commission does not believe that allowing specialists and ROTs to communicate with persons located off of the trading floor raises the same regulatory concerns discussed below regarding floor brokers. As a result, the Commission finds that it is consistent with the Act to allow specialists and ROTs to use cellular and cordless phones to call locations off of the trading floor. In addition, the Commission believes that it is reasonable and consistent with the Act to require orders entered off of the trading floor to be placed with a member firm booth.

Proposed Phlx Rule 606(e)(4) permits floor brokers to use cellular and cordless phones, but only to communicate with persons located on the options floor. The rule also requires all orders phoned to floor brokers to be received initially at the floor broker's booth and states that floor brokers may not receive telephonic orders while in the trading crowd, except from their booth. The Commission believes that the Exchange's prohibition on the use of telephones by floor brokers to call locations off of the floor or to receive orders from off of the floor is justified by legitimate regulatory concerns. Specifically, the Phlx must ensure compliance with rules requiring that members who accept orders directly from public customers are qualified to do so. Accordingly, this prohibition helps to provide adequate surveillance over this activity be requiring all orders to be taken at the member firm booth and by restricting outside phone calls. In addition, preventing floor brokers from directly accessing market information that might only be available on the floor of the exchange trading the securities underlying the options trading on the Phlx, helps to alleviate concerns about frontrunning and other forms of market manipulation. The proposal also helps to prevent persons located off of the trading floor from having virtually direct access to the trading crowd and receiving certain time and place advantages over other customers. Moreover, the Commission believes that requiring orders to be initially received at the floor broker's booth, where it is recorded before being forwarded to a floor broker in the crowd, should help to ensure that there is a record of each telephonic order if a trading problem or dispute arises.

Proposed Phlx rule 606(e)(5) provides that floor broker clerks and stock execution clerks are subject to the same terms and conditions on telephone use as floor brokers. In addition, the Exchange's Options Committee reserves the right to prohibit clerks from using cellular or cordless phones on the floor if necessary due to electronic interference or capacity problems. For the reasons discussed above regarding telephone use by floor brokers, the Commission finds that the proposed restrictions on clerks are reasonable and consistent with the Act.

Moreover, the Commission finds that the registration requirements set forth in proposed Phlx Rule 606(e)(1) and the record retention requirements set forth in proposed Phlx Rule 606(e)(7) are reasonable, consistent with the Act, and should assist the Exchange in monitoring for compliance with the proposed rule change. The Commission also finds that the limits on capacity and functionality set forth in proposed Phlx Rule 606(e)(2) should help to ensure that phones used on the options floor do not cause interference with each other or with Exchange systems.

Finally, the Commission believes that the proposed amendments to the Exchange's minor rule violation plan are

[10] In approving this rule change, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[11] 15 U.S.C. 78f(b)(5).

reasonable and provide fair procedures for appropriately disciplining members and member organizations for minor rule violations that warrant some type of punitive measure, but for which a full disciplinary hearing would be an inappropriate waste or resources because of the minor nature of the violation. The Commission believes that the proposed change to the existing fine schedule is appropriate and should serve to discourage violations of the Exchange's telephone policy.

The Commission supports the Exchange's efforts to codify policies on telephone use to give its membership adequate notice of what conduct is prohibited. while supporting the Exchange's efforts to monitor and regulate communications on its options floor, the Commission expects the Phlx to ensure that Phlx Rule 606(e) is not used to limit access to services offered by the Exchange and is not applied in a manner that is inconsistent with the Act. Specifically, the Commission expects that Phlx Rule 606(e) will not be interpreted in a manner that permits unfair discrimination between customers, issuers, brokers, or dealers or imposes any unnecessary or inappropriate burden on competition, or is otherwise used to limit member access to Exchange services.

IV. Conclusion

It Is Therefore Ordered, pursuant to section 19(b)(2) of the Act,[12] that the proposed rule change (SR–PHLX–00–48), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[13]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4751 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[12] 15 U.S.C. 78s(b)(2).

[13] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43989; File No. SR–Phlx–00–94]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Prohibition to Harassment and Other Improper Behavior Because of Listing or Competitive Practices

February 20, 2001.

I. Introduction

On November 13, 2000, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') submitted to the Securities and Exchange Commission (''Commission''), pursuant to section 19(b)(1) of the Securities and Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to add new Commentary .01 (''Prohibition Against Harassment'') to the Exchange's Rule 707 (''Just and Equitable Principles of Trade''), to prohibit members, member organizations, or persons associated with or employed by members or member organizations from engaging in harassment and other improper behavior because of listing or competitive practices.

The proposed rule change was published for comment in the **Federal Register** on December 28, 2000.[3] No comments were received on the proposal. This order approves the proposal.

II. Description of the Proposal

The Phlx proposes to add new Commentary .01 (''Prohibition Against Harassment''), to prohibit members, member organizations, or persons associated with or employed by members or member organizations from engaging in harassment and other improper behavior because of listing or competitive practices.

Specifically, proposed new Commentary .01 to Phlx Rule 707 would state that it is conduct inconsistent with just and equitable principles of trade for any member, member organization, or person associated with or employed by a member or member organization to directly or indirectly threaten, harass, intimidate, refuse to deal with, or retaliate against any member, member organization, person associated with or employed by a member or member organization, or other market participant because such member, member organization, person associated with or employed by a member or member organization, or other market participant has: (i) Made a proposal to any exchange or other market to list or trade any option class; (ii) advocated or proposed to list or trade an option class on any exchange or other market; (iii) commenced making a market in or trading new option class on any exchange or other market; (iv) sought to increase the capacity of any options exchange or the options industry to disseminate quote or trade data; (v) sought to introduce new option products; or (vi) acted, or sought to act, competitively.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Securities Exchange Act Release No. 43739 (December 19, 2000), 65 FR 82440.

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange,[4] and in particular, with the requirements of section 6 of the Act.[5] Specifically, the Commission finds that the proposal is consistent with sections 6(b)(5) of the Act [6] in that it is designed to codify the Exchange's prohibition against harassment and improper practices in a manner that promotes just and equitable principles of trade, prevents fraudulent and manipulative acts and practices, maintains fair and orderly markets, and protects investors and the public interest.

Phlx's new Commentary .01 to Phlx Rule 707 provides generally that it is conduct inconsistent with just and equitable principles of trade for market members, member organizations, their employees, and associated persons engage in harassing and certain improper retaliatory actions as a result of another market participant's listing or competitive behavior. The Commission believes that this codification of existing practice in Phlx's Rules is a reasonable means to comply with the Commission's directive,[7] and to prevent fraudulent and manipulative acts and practices, maintain fair and orderly markets, and protect investors and the public interest, as required by section 6(b)(5) of the Act.

IV. Conclusion

It is Therefore Ordered, pursuant to section 19(b)(2) of the Act,[8] that the proposed rule change (SR–Phlx–00–94) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[9]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4752 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[4] In approving this rule, the Commission has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

[5] 15 U.S.C. 78f.

[6] 15 U.S.C. 78f(b)(5).

[7] *See* note 4, supra.

[8] 15 U.S.C. 78s(b)(2).

[9] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43987; File No. SR–Phlx–99–50]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Order Approving Proposed Rule Change and Amendment No. 1 Amending the Exchange's Certificate of Incorporation

February 20, 2001.

I. Introduction

On November 23, 1999, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') submitted to the Securities and Exchange Commission (''Commission'') pursuant to section 19(b)(1) of the Securities and Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] a proposed rule change. The Phlx filed an amendment to the proposal on December 28, 2000.[3] The proposed rule change was published for comment in the **Federal Register** on January 16, 2001. The Commission did not receive any comment letters with respect to the proposal. This order approves the Exchange's proposal.

II. Description of the Proposal

A. The Original Filing

The Phlx proposed to amend its Certificate of Incorporation to add Article Nineteenth, relating to the leasing of memberships.[4] A complete copy of the text of Article Nineteenth is available at the Office of the Secretary, the Phlx, and at the Commission.

Proposed Article Nineteenth provides that, in addition to all other powers granted to the Board by law, the Certificate of Incorporation or otherwise, the Board shall have the power to determine whether, and under what terms and conditions, memberships may be leased, and to adopt by resolution or to set forth in the Rules of the Board such rules with respect to lease agreements, lessors and lessees as the Board may from time to time determine to be advisable. Such rules may include rules regulating and setting forth the rights and obligations of lessors and lessees, the required terms of lease agreements, and the fees, dues, and other charges required to be paid by lessors and lessees (or either of them) to the Exchange in connection with, and for the privilege of, leasing memberships. In addition, proposed Article Nineteenth provides that the Board shall have the power to adopt rules relating to the suspension or termination of any or all lease agreements with respect to memberships, to issue provisional trading privileges on such terms as the Board shall determine to members whose lease agreements are suspended or terminated, and to amend, alter, or repeal any or all of the Rules of the Board with respect to any of the foregoing matters.

B. Amendment No. 1

As a non-stock corporation organized under the Delaware General Corporation Law (''DGCL''), the Exchange represented in Amendment No. 1 that it has ample authority to adopt proposed Article Nineteenth. Because the Exchange's Certificate of Incorporation does not require member approval to adopt a charter amendment, proposed Article Nineteenth may be adopted by the Board of Governors without approval by the members of the Exchange (including lessees of memberships) or the owners of memberships (including lessors of memberships). 8 *Del. C.* § 242(b)(3).[5] Therefore, the Exchange's Board adopted Article Nineteenth in accordance with section 242.

Furthermore, section 141(j) of the DGCL empowers the Board to direct the business and affairs of the Exchange, and the Exchange's by-laws give the Board broad power to adopt rules of the Exchange. 8 *Del. C.* § 141(j);[6] By-Law Art. IV, § 4–4. In addition, existing Article Third of the Phlx Certificate of Incorporation gives the Exchange authority to do all things necessary to run a national securities exchange.[7] Numerous provisions of the Exchange's by-laws and rules already address matters similar to those addressed by proposed Article Nineteenth.[8] Therefore, the adoption of Article Nineteenth falls within the broad authority expressly conferred by Delaware law and existing provisions under the Phlx Certificate of Incorporation.

Pursuant to Article Nineteenth, the Board would have the authority to make rules that impact lease arrangements, including adopting rules relating to the termination of lease agreements. As discussed, the Exchange's Certificate of Incorporation, by-laws and rules already include several provisions addressing such authority.[9] Moreover, the Exchange's by-laws require lessors and lessees (as members) to pledge to abide by the rules as they may be amended from time to time.[10]

The Exchange further represents that proposed Article Nineteenth is also permissible as a matter of Pennsylvania contract law. The provisions of Article Nineteenth authorizing the adoption of rules affecting lease agreements between

---

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Letter from Cynthia Hoekstra, Counsel, Phlx, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission, dated December 27, 2000 (''Amendment No. 1''). In Amendment No. 1, the Phlx represented that the Phlx's Board has the authority to adopt Article Nineteenth pursuant to Delaware corporate law, Pennsylvania contract law, and the Exchange's Certificate of Incorporation, by-laws, and rules.

[4] In connection with this proposed rule change, the Commission approved a proposed rule change that adopted Article Twentieth. *See* Securities Exchange Act Release No. 42317 (January 5, 2000), 65 FR 2215 (January 13, 2000) (SR–Phlx–99–48). Article Twentieth provides, in part, that the Exchange's Board of Governors (''Board'') shall have the power to assess such fees, dues, and other charges upon members, lessors and lessees of memberships and holders of permits (or any of them) as the Board may from time to time adopt by resolution or set forth in the Rules of the Board. On May 11, 2000 the Commission approved a proposed rule change, which amended Article Twentieth to include the words ''owner'' and ''member organization'' and to define the word ''owner'' to clarify the original intent of Article Twentieth. *See* Securities Exchange Act Release No. 42773 (May 11, 2000), 65 FR 31622 (May 18,2000) SR–Phlx–00–30).

[5] Section 242 of the DGCL permits the board of a non-stock corporation to adopt amendments to the corporation's Certificate of Incorporation.

[6] *See also* 8 *Del. C.* § 121(a) (providing that in addition to powers expressly granted by law or the Certificate of Incorporation, the corporation and its directors may exercise ''any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business or purposes set forth in its certificate of incorporation'').

[7] Article Third states, in part, that the Exchange may operate as and perform all functions of a national securities exchange and engage in any lawful act or activity for which corporations may be organized under the DGCL.

[8] *See, e.g.,* By-Law Art. XV, § 15–1(a) (providing that a membership may be leased in accordance with such rules as the Board may adopt); Rule 930 (setting forth required terms of lease agreement and providing, among other things, that the Exchange may dispose of a membership subject to a lease agreement); Rule 960.1 (providing that all members, member organizations and any persons associated with any member are subject to expulsion, suspension, termination as to activities at the Exchange or any other fitting sanction for violation of the Rules of the Exchange); *see also* Certificate of Incorporation, Article Twentieth (giving Board plenary authority to assess fees, dues and other charges and to impose penalties, including cancellation of a membership and forfeiture of all rights as a lessor or lessee, for nonpayment).

[9] *See, e.g.,* Certificate of Incorporation, Article Thirteenth (lessor entitled to vote on compromise or arrangement); Certificate of Incorporation, Article Seventeenth (lessor entitled to receive any distribution of assets upon liquidation); By-Law Article I, Section 1–1 (defining lessor and lessee); By-Law Article XII, Section 12–8 (authorizing lessor application fee as fixed from time to time by the Board, lessor initiation fee and fee upon transfer of equitable title to a membership); and Rule 930 (setting forth required terms of lease agreements).

[10] *See* Exchange By-Law Article XII, Section 12–9. As a condition of the right to lease their seats, lessors agree ''to abide by the [Exchange's] By-Laws as they have or shall be from time to time amended, and by all rules and regulations adopted pursuant to the By-Laws.'' Lessees, as members, likewise make the same commitment.

lessors and lessees are lawful because, under the terms of its relationships with both lessors and lessees, the Exchange has the right to adopt by-laws, rules, or regulations that affect those lessors and lessees. Pennsylvania law holds that a contracting party may lawfully exercise its own contractual rights against another party to the contract, even if doing so interferes with the terms of a separate agreement of the other party. Here, the potential suspension or termination of a lease agreement in accordance with the rules of the Exchange is permissible under the terms of the Exchange's separate agreements with each of the parties to the lease agreement.

Both lessors and lessees (as members) agree respectively as a condition of approval of the right to lease seats and as a condition of approval for membership that the Exchange may effectuate changes to their lease agreements, including termination. As a condition of the right to lease their seats, lessors agree ''to abide by the [Exchange's] By-Laws as they have or shall be from time to time amended, and by all rules and regulations adopted pursuant to the By-Laws.'' *See* By-Law Art. XII, § 12–9(b). Lessees (as members) likewise make the same commitment. *See id.* at 12–9(a). By agreeing to abide by future by-laws, rules, and regulations, lessors and lessees necessarily grant permission to the Exchange to adopt rules pursuant to which their lease agreements may be suspended or terminated. Indeed, the Exchange has already repeatedly exercised its right to adopt rules and by-laws directly impacting lessors and lessees in a variety of rules, including Rule 930, which closely regulates the terms and conditions of lease agreements.[11] Accordingly, Article Nineteenth, which would provide in express form the authorization for the adoption of rules suspending or terminating lease agreements, would simply authorize that which is countenanced by the terms of the Exchange's existing relationship with lessors and lessees, and is thereby permissible as a matter of Pennsylvania contract law.

Thus, the Exchange believes that proposed Article Nineteenth was properly adopted by the Exchange Board under Delaware law and is permissible as a matter of Pennsylvania contract law.

III. Discussion

After careful consideration, the Commission finds that the proposed rule change is consistent with the requirements of section 6 of the Act[12] and the rules and regulations thereunder applicable to a national securities exchange.[13] In particular, the Commission finds the proposed rule change is consistent with section 6(b)(5) of the Act,[14] in that it promotes just and equitable principles of trade and protects investors and the public interest.

The Phlx represented that it needs Article Nineteenth in order to give the Board the express authorization to adopt specific rules relating to the leasing of memberships, including suspending or terminating lease agreements. The Commission finds that the proposed rule change promotes just and equitable principles of trade and protects investors and the public interest because it enables the Board to determine whether, and under what terms and conditions, memberships can be leased. Furthermore, the Phlx acknowledges that any such rules or resolutions, which are adopted by the Board under Article Nineteenth, shall be filed with the Commission to the extent required pursuant to section 19(b) of the Act.[15]

The Commission is not required under section 19(b)(2) of the Act to find that a proposed rule change by a self-regulatory organization is lawful under state law. In approving this proposal, the Commission is relying on the Phlx's representation that it has the general power under applicable provisions of Delaware corporate law to adopt Article Nineteeth without the approval of members, or by owners, lessors, or lessees of memberships. Furthermore, the Commission is also relying on the Phlx's representation that, under the applicable powers of Pennsylvania contract law, the Phlx has the right to adopt by-laws, rules, or regulation that affect those lessors and lessees contractual relationships. The Commission has not independently evaluated the accuracy of Phlx's representations about Delaware or Pennsylvania law.

Thus, the Commission finds that the proposed rule change is consistent with the Act.

IV. Conclusion

It Is Therefore Ordered, pursuant to section 19(b)(2) of the Act,[16] that the proposed rule change (SR–Phlx–99–50), and Amendment No. 1 thereto, are approved.

By the Commission, for the Division of Market Regulation, pursuant to delegated authority.[17]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4754 Filed 2–26–01; 8:45 am]

BILLING CODE 8010–01–M

[11] Other examples include By-Law Art. I, § 1–1 (defining lessor and lessee); By-Law Art. XII, § 12–1 (a member conducts business on the Exchange); By-Law Art. XII, § 12–8 (authorizing lessor application fee, lessor initiation fee, and fees upon transfer of equitable title); By-Law Art. XIV, §§ 14–1, 14–2, 14–5 (the Exchange can impose charges on members, including penalties for non-payment of fees); By-Law Art. XV, § 15–1 (the Exchange approves lessees); Rule 931 (the Exchange approves lessors); Rule 960.1 *et seq.* (the Exchange may discipline members).

[12] 15 U.S.C. 78f.

[13] In approving this rule, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[14] 15 U.S.C. 78f(b)(5).

[15] 15 U.S.C. 78s(b).

[16] 15 U.S.C. 78s(b)(2).

[17] 17 CFR 200.30–3(a)(12).

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: Klickitat and Skamania Counties, Washington and Hood River County, Oregon

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an Environmental Impact Statement (EIS) will be prepared for a proposed new Columbia River crossing project in Klickitat County or Skamania County, Washington and Hood River County, Oregon. Northern and southern termini for the new crossing would be located in or near the cities of White Salmon and Bingen, Washington, and Hood River, Oregon.

FOR FURTHER INFORMATION CONTACT: Michael Kulbacki, Transportation and Environmental Engineer, Federal Highway Administration, 711 S. Capitol Way, Suite 501, Olympia, WA 98501, Telephone: 360–753–9556; or Dale Robins, Project Manager, Southwest Washington Regional Transportation Council, 1351 Officers Row, Vancouver, WA 98661, Telephone: 360–397–6067. Additional information can also be obtained at the project web site: *http:www.rtc.wa.gov/studies/sr35.*

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Washington State Department of Transportation, the Southwest Washington Regional Transportation Council, and the Oregon Department of Transportation, will prepare an EIS on

a proposal to establish a new or improved transportation crossing of the Columbia River. This crossing will involve either existing facility improvements or new connections between SR 14 in Washington to SR 35 and/or I–84 in Oregon. The Washington State Department of Transportation has designated this proposed crossing as State Route 35 (SR–35).

A new or improved Columbia River crossing is necessary to effectively accommodate current and future traffic demands, address multi-modal accessibility, enhance movement of freight and other goods, improve public safety, and improve current and future traffic operations.

Alternatives under consideration include (1) no action; (2) multi-modal options; (3) improvements to traffic and toll operations, (4) improvements to the existing bridge; and (5) constructing a new bridge or tunnel at or near the existing location. Potential crossing corridors being evaluated along the Columbia River include: West Hood River I–84 interchange, Second Street in Hood River (using the City Center exit on I–84), the existing bridge crossing, and east of Hood River near Stanley Rock. Design variations being evaluated include adjustments to grade, alignment, and crossing type.

A series of preliminary meetings have already been conducted between various public groups, the project Steering Committee, a Local Advisory Committee, and a Resource and Regulatory agency Committee since this project has been introduced. The ideas presented at these meetings will be incorporated into the environmental process as will all the necessary impacts and alternatives required by the National Environmental Protection Act (NEPA) and Council on Environmental Quality (CEQ) regulations.

Letters soliciting comments will be sent to appropriate Federal, State, and Local agencies, including private organizations and citizens who have previously expressed or are known to have interest in this proposal.

A public scoping meeting will be held on March 8, 2001, from 5 to 8 p.m. at Fidel's at the Gorge (restaurant), located on SR 14 at 120 East Steuben in Bingen, Washington. On March 8, 2001, a resource and regulatory agency scoping meeting will be held in Troutdale, Oregon, at the Oregon Department of Transportation Maintenance Facility from 1:30 to 3:00 p.m. Notification of the public scoping meeting will be published in the local newspaper and through mailed announcements.

In addition, a public meeting will be held prior to completion of the draft EIS. Public notice will be given of the time and place of all proposed meetings during Draft and Final EIS development. The draft EIS will be made available to the public and all agencies for review and comment prior to all public meetings.

Interested parties are encouraged to provide suggestions and comments in order to ensure that the full range of issues related to this proposed action are addressed and all potential impacts identified. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA, Washington Division or Southwest Washington Regional Transportation Council at the addresses or telephone numbers provided in the Contact Information Section.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program)

Issued on: February 14, 2001.

Michael Kulbacki,

Transportation and Environmental Engineer, Olympia, Washington.

[FR Doc. 01–4706 Filed 2–26–01; 8:45 am]

BILLING CODE 4910–22–M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: Mendocino County, California

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Mendocino County, near the town of Hopland, California.

FOR FURTHER INFORMATION CONTACT: C. Glenn Clinton, Team Leader, Program Delivery Team—North, Federal Highway Administration, 980 Ninth Street, Suite 400, Sacramento, California 95814–2724, Telephone: 916–498–5020.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the California Department of Transportation (Caltrans), will prepare an environmental impact statement (EIS) on a proposed project to construct a four lane freeway or expressway bypass of the community of Hopland, on Route 101 in Southern Mendocino County. The project limits extend from kp 14.2 to 22.5 (pm 8.8 to 14.0). The project is needed to reduce operational conflicts, accommodate existing and future traffic demand, reduce travel time, increase safety, improve air quality, reduce noise in Hopland and provide the facility concept identified in the ''Inter-regional Transportation Strategic Plan''.

Three aligments are being proposed at this time as well as a ''No Build'' alternative. All of the alignments potentially affect oak woodlands, riparian forest and pre-historic cultural resources. A Public Open House has been held to solicit opinions from the community and a Project Development Team has been formed to determine the scope of the project. There will be a public scoping meeting to discuss the proposed project and another opportunity for public comment on the draft environmental document during the circulation phase of the draft environmental impact statement (DEIS).

To ensure that the full range of issues related to this proposed action is addressed and all significant issues identified, comments and suggestions are invited from all interested parties. The views of agencies that may have interest in the effect of the proposal on historic properties are specifically solicited. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program)

Issued on February 15, 2001.

C. Glenn Clinton,

Team Leader, Program Delivery Team—North, Sacramento, California.

[FR Doc. 01–4705 Filed 2–26–01; 8:45 am]

BILLING CODE 4910–22–M

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket Number: MARAD–2001–8952]

Requested Administrative Waiver of the Coastwise Trade Laws

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Invitation for public comments on a requested administrative waiver of the Coastwise Trade Laws for the vessel CHARISMA.

SUMMARY: As authorized by Public Law 105–383, the Secretary of Transportation, as represented by the Maritime Administration (MARAD), is

authorized to grant waivers of the U.S.-build requirement of the coastwise laws under certain circumstances. A request for such a waiver has been received by MARAD. The vessel, and a description of the proposed service, is listed below. Interested parties may comment on the effect this action may have on U.S. vessel builders or businesses in the U.S. that use U.S.-flag vessels. If MARAD determines that in accordance with Public Law 105–383 and MARAD's regulations at 46 CFR Part 388 (65 FR 6905; February 11, 2000) that the issuance of the waiver will have an unduly adverse effect on a U.S.-vessel builder or a business that uses U.S.-flag vessels, a waiver will not be granted.

DATES: Submit comments on or before March 29, 2001.

ADDRESSES: Comments should refer to docket number MARAD–2001–8952. Written comments may be submitted by hand or by mail to the Docket Clerk, U.S. DOT Dockets, Room PL–401, Department of Transportation, 400 7th St., SW., Washington, DC 20590–0001. You may also send comments electronically via the Internet at *http://dmses.dot.gov/submit/.* All comments will become part of this docket and will be available for inspection and copying at the above address between 10 a.m. and 5 p.m., E.T., Monday through Friday, except federal holidays. An electronic version of this document and all documents entered into this docket is available on the World Wide Web at *http://dms.dot.gov.*

FOR FURTHER INFORMATION CONTACT: Kathleen Dunn, U.S. Department of Transportation, Maritime Administration, MAR–832 Room 7201, 400 Seventh Street, SW., Washington, DC 20590. Telephone 202–366–2307.

SUPPLEMENTARY INFORMATION: Title V of Public Law 105–383 provides authority to the Secretary of Transportation to administratively waive the U.S.-build requirements of the Jones Act, and other statutes, for small commercial passenger vessels (no more than 12 passengers). This authority has been delegated to the Maritime Administration per 49 CFR § 1.66, Delegations to the Maritime Administrator, as amended. By this notice, MARAD is publishing information on a vessel for which a request for a U.S.-build waiver has been received, and for which MARAD requests comments from interested parties. Comments should refer to the docket number of this notice and the vessel name in order for MARAD to properly consider the comments. Comments should also state the commenter's interest in the waiver application, and address the waiver criteria given in § 388.4 of MARAD'S regulations at 46 CFR Part 388.

Vessel Proposed for Waiver of the U.S.-build Requirement

(1) Name of vessel and owner for which waiver is requested.

Name of vessel: *Charisma.* Owner: NAUTECH International, LLC, a Louisiana Corporation.

(2) Size, capacity and tonnage of vessel. According to the applicant: ''The vessel is 65 net tons as per the documentation certificate enclosed. Additional measurements are 65 feet in length, 17 feet in breadth and 11 feet in depth noticed by the same certificate.''

(3) Intended use for vessel, including geographic region of intended operation and trade. According to the applicant: ''The intended use of the vessel is for executing meetings and executive cruises of 12 persons or less. This usage shall have no effect on the coastwise trade of any person as no charters of this type are currently operating in the proposed areas * * *. The geographic area intended is Lake Pontchartrain and connecting inland waters, Mississippi River as well as the Gulf of Mexico (Texas, Louisiana, Mississippi Alabama and Florida Coasts.''

(4) Date and Place of construction and (if applicable) rebuilding. Date of construction: 1967. Place of construction: Hampshire England, United Kingdom.

(5) A statement on the impact this waiver will have on other commercial passenger vessel operators. According to the applicant: ''This proposed operation shall have no effect on other commercial passenger operations. There are no commercially operated executive yacht rentals in the proposed areas of operation. The CHARISMA is an executive yacht. It is the only yacht of this size proposed for charter in the areas indicated. As requested by your item 9 of the MARAD Transmittal we include the following description of existing operators of charter or commercial vessels for hire, none of which are similar in nature to the CHARISMA.

a. Small open fishing boats for two or three passengers with outboard motors.

b. Small oar or pole powered skiffs for bayou cruises in controlled wildlife refuges.

c. Casino boats of 1200 or more passengers.

d. Specially equipped deep sea fishing boats.

e. Harbor Tour Operators of certified vessels with passengers of 100 or more.

f. Government operated Ferryboats for public transportation of passengers and of vehicles.

g. Sailing vessels.''

(6) A statement on the impact this waiver will have on U.S. shipyards. According to the applicant: ''This waiver shall have no impact on U.S. Shipyards.'' ''No shipyards are currently building Motor Vessels of this size or type for this purpose.''

Dated: February 21, 2001.

By Order of the Maritime Administrator.

Joel C. Richard,

Secretary, Maritime Administration.

[FR Doc. 01–4710 Filed 2–26–01; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket Number: MARAD–2001–8951]

Requested Administrative Waiver of the Coastwise Trade Laws

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Invitation for public comments on a requested administrative waiver of the Coastwise Trade Laws for the vessel SPIRIT.

SUMMARY: As authorized by Public Law 105–383, the Secretary of Transportation, as represented by the Maritime Administration (MARAD), is authorized to grant waivers of the U.S.-build requirement of the coastwise laws under certain circumstances. A request for such a waiver has been received by MARAD. The vessel, and a description of the proposed service, is listed below. Interested parties may comment on the effect this action may have on U.S. vessel builders or businesses in the U.S. that use U.S.-flag vessels. If MARAD determines that in accordance with Public Law 105–383 and MARAD's regulations at 46 CFR Part 388 (65 FR 6905; February 11, 2000) that the issuance of the waiver will have an unduly adverse effect on a U.S.-vessel builder or a business that uses U.S.-flag vessels, a waiver will not be granted.

DATES: Submit comments on or before March 29, 2001.

ADDRESSES: Comments should refer to docket number MARAD–2001–8951. Written comments may be submitted by hand or by mail to the Docket Clerk, U.S. DOT Dockets, Room PL–401, Department of Transportation, 400 7th St., SW., Washington, DC 20590–0001. You may also send comments electronically via the Internet at *http://dmses.dot.gov/submit/.* All comments will become part of this docket and will be available for inspection and copying at the above address between 10 a.m.

and 5 p.m., E.T., Monday through Friday, except federal holidays. An electronic version of this document and all documents entered into this docket is available on the World Wide Web at *http://dms.dot.gov.*

FOR FURTHER INFORMATION CONTACT: Kathleen Dunn, U.S. Department of Transportation, Maritime Administration, MAR–832 Room 7201, 400 Seventh Street, SW., Washington, DC 20590. Telephone 202–366–2307.

SUPPLEMENTARY INFORMATION: Title V of Public Law 105–383 provides authority to the Secretary of Transportation to administratively waive the U.S.-build requirements of the Jones Act, and other statutes, for small commercial passenger vessels (no more than 12 passengers). This authority has been delegated to the Maritime Administration per 49 CFR 1.66, Delegations to the Maritime Administrator, as amended. By this notice, MARAD is publishing information on a vessel for which a request for a U.S.-build waiver has been received, and for which MARAD requests comments from interested parties. Comments should refer to the docket number of this notice and the vessel name in order for MARAD to properly consider the comments. Comments should also state the commenter's interest in the waiver application, and address the waiver criteria given in § 388.4 of MARAD'S regulations at 46 CFR Part 388.

Vessel Proposed for Waiver of the U.S.-build Requirement

(1) Name of vessel and owner for which waiver is requested. Name of vessel: *Spirit.* Owner: Joshua T. Bloomgarden.

(2) Size, capacity and tonnage of vessel. According to the applicant: ''*Spirit* is weighed in at 10 tons net weight and her length as measured from stern to bow is 37 feet length over all.''

(3) Intended use for vessel, including geographic region of intended operation and trade. According to the applicant: ''I intend to use *Spirit* for charter of six persons or less, primarily for day sails, for clients who have little experience on a small sail vessel. My intention is to familiarize charter clients with the working of sails, and as an educational and recreational experience. During the charters I will explain the working of the vessel along with a presentation of historical and geographical facts along with discussions of environmental factors of our country's rivers and coasts.

Although initially I will be operating out of the New York area, along the Hudson River, I would like to request a waiver for the Eastern Seaboard (from Maine to Florida). In the Summer months I will be cruising up to Maine, and during the Winter months cruising down to Florida (with stops along the way). If I could take on occasional charter clients while cruising at these different locations it would give me the option of choosing various seasonal cruising destinations.''

(4) Date and Place of construction and (if applicable) rebuilding. Date of construction: Built in 1977. Place of construction: Built in Havant, Great Britain.

(5) A statement on the impact this waiver will have on other commercial passenger vessel operators. According to the applicant: ''I don't believe the issuance of this waiver for *Spirit* would have a negative impact on existing commercial vessel operations. Charter of *Spirit*; would be a small, part time business, which would be for short day sails for six or less passengers. Existing commercial vessel operators would not be affected by my charter work. By exposing passengers with little experience on small vessels to the recreational and educational possibilities of spending time on the water I believe the impact would be to encourage them to seek out other vessels for further charter usage in the future''

(6) A statement on the impact this waiver will have on U.S. shipyards. According to the applicant: ''I believe that this waiver would have a positive impact on US shipyards. By granting a charter waiver for *Spirit* I would be using local US shipyards to repair and maintain *Spirit* up to US Coast Guard safety standards. Also, *Spirit* is an English Pilothouse Motorsailor Ketch with a high bow and deep gunnels of a particular style and appearance as used in the North Sea of Great Britain. This type of vessel is not to my knowledge being constructed by US shipyards.''

Dated: February 21, 2001.

By Order of the Maritime Administrator.

Joel C. Richard,

Secretary, Maritime Administration.

[FR Doc. 01–4711 Filed 2–26–01; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34011]

Gettysburg & Northern Railroad Co.—Acquisition and Operation Exemption—Gettysburg Railway Company, Inc., Delaware Transportation Group, Inc., and Delaware Valley Railway Company, Inc.

Gettysburg & Northern Railroad Co. (GNR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire from Gettysburg Railway Company, Inc., Delaware Transportation Group, Inc., and Delaware Valley Railway Company, Inc. and operate approximately 23.36 miles of rail line between approximately milepost 31.20, at Gettysburg, and milepost 7.84, at Mount Holly Springs, in Adams and Cumberland Counties, PA.

The parties reported that they intended to consummate the transaction on or about February 20, 2001. The earliest the transaction could have been consummated was February 19, 2001, the effective date of the exemption (7 days after the exemption was filed).

This transaction is related to STB Finance Docket No. 34010, *Pioneer Railcorp—Continuance in Control Exemption—Gettysburg & Northern Railroad Co.,* wherein Pioneer Railcorp has concurrently filed a verified notice to continue in control of GNR upon its becoming a Class III rail carrier.

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34011, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on Daniel A. LaKemper, Esq., Gettysburg & Northern Railroad Co., 1318 S. Johanson Road, Peoria, IL 61607.

Board decisions and notices are available on our website at *http://www.stb.dot.gov.*

Decided: February 20, 2001.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 01–4740 Filed 2–26–01; 8:45 am]

BILLING CODE 4915–00–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34010]

Pioneer Railcorp—Continuance in Control Exemption—Gettysburg & Northern Railroad Co.

Pioneer Railcorp (Pioneer), a noncarrier holding company, has filed a verified notice of exemption to continue in control of Gettysburg & Northern Railroad Co. (GNR), upon GNR's becoming a carrier.

The transaction is scheduled to be consummated on or after February 20, 2001.

This transaction is related to STB Finance Docket No. 34011, *Gettysburg & Northern Railroad Co.—Acquisition and Operation Exemption—Gettysburg Railway Company, Inc., Delaware Transportation Group, Inc., and Delaware Valley Railway Company, Inc.,* wherein GNR seeks to acquire and operate a line of railroad approximately 1.5 miles long in Gettysburg and Mount Holly Springs, PA.

At the time it filed the notice, Pioneer owned and controlled sixteen existing Class III shortline rail carriers: West Michigan Railroad Co., which operates in Michigan; Fort Smith Railroad Co., which operates in Arkansas; Alabama Railroad Co., which operates in Alabama; Mississippi Central Railroad Co., which operates in Mississippi and Tennessee; Alabama & Florida Railway Co., Inc., which operates in Alabama; Decatur Junction Railway Co., which operates in Illinois; Vandalia Railroad Company, which operates in Illinois; Keokuk Junction Railway Co. (KJRY),[1] which operates in Iowa and Illinois; Michigan Southern Railroad Company, which operates in Michigan and Indiana; Shawnee Terminal Railway Company, which operates in Illinois; Pioneer Industrial Railway Co., which operates in Illinois; Michigan Southern Railroad Company, Inc., which owns or leases track in Michigan and Indiana but does not currently conduct any rail operations in those States; The Garden City Western Railway, Inc., which operates in Kansas; Indiana Southwestern Railway Co., which operates in Indiana; Kendallville Terminal Railway Co., which operates in Indiana; and Elkhart & Western Railroad Co., which has authority to operate in Indiana but has not yet begun operations in that State.

Pioneer states that: (i) The railroads will not connect with each other or any railroad in their corporate family; (ii) the continuance-in-control is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; and (iii) the transaction does not involve a Class I carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. *See* 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34010, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on William A. Mullins, Esq., Troutman Sanders LLP, 401 Ninth Street, NW., Suite 1000, Washington, DC 20004.

Board decisions and notices are available on our website at *http://www.stb.dot.gov.*

Decided: February 20, 2001.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 01–4739 Filed 2–26–01; 8:45 am]

BILLING CODE 4915–00–P

[1] Pioneer states that KJRY also owns Keokuk Union Depot Company, a nonoperating common carrier.

Corrections

Federal Register

Vol. 66, No. 39

Tuesday, February 27, 2001

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.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43859; File No. SR–NYSE–00–62]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the New York Stock Exchange, Inc. Relating to Specialists' Specialty Stock Option Transactions

Correction

In notice document 01–2379 beginning on page 7945 in the issue of Friday, January 26, 2001, make the following correction:

On page 7945, in the third column, in the second paragraph, beginning in the second line, remove ''approved person is so ating as an options market maker pursuant to this paragraph, neither that''.

[FR Doc. C1–2379 Filed 2–26–01; 8:45 am]

BILLING CODE 1505–01–D

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43941; File No. SR–PCX–00–40]

Self-Regulatory Organizations; Order Approving a Proposed Rule Change by the Pacific Exchange, Inc. Relating to Audit Committee Requirements for Listed Companies

February 7, 2001.

Correction

In notice document 01–3803 beginning on page 10545 in the issue of Thursday, February 15, 2001, make the following correction:

On page 10545, in the third column, in the heading, the date should read as set forth above.

[FR Doc. C1–3803 Filed 2–26–01; 8:45 am]

BILLING CODE 1505–01–D

Federal Register

Tuesday,
February 27, 2001

Part II

Department of Agriculture

Food Safety and Inspection Service

9 CFR Parts 301, 303, et al.
Performance Standards for the Production of Processed Meat and Poultry Products; Proposed Rule

DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

9 CFR Parts 301, 303, 317, 318, 319, 320, 325, 331, 381, 417, and 430

[Docket No. 97–013P]

RIN No. 0583–AC46

Performance Standards for the Production of Processed Meat and Poultry Products

AGENCY: Food Safety and Inspection Service, Agriculture.

ACTION: Proposed rule.

SUMMARY: The Food Safety and Inspection Service (FSIS) is proposing to amend the Federal meat and poultry inspection regulations by establishing food safety performance standards for all ready-to-eat (RTE) and all partially heat-treated meat and poultry products. The proposed performance standards set forth levels of pathogen reduction and limits on pathogen growth that official meat and poultry establishments must achieve in order to produce unadulterated products, but allow the use of customized, plant-specific processing procedures. The proposed RTE performance standards apply to all RTE meat and poultry products, which can be categorized as follows: Dried products (e.g., beef or poultry jerky); salt-cured products (e.g. country ham); fermented products (e.g., salami and Lebanon bologna); cooked and otherwise processed products (e.g., beef and chicken burritos, corned beef, pastrami, poultry rolls, and turkey franks); and thermally-processed, commercially sterile products (e.g., canned spaghetti with meat balls and canned corned beef hash).

Although FSIS routinely samples and tests some RTE products for the presence of pathogens prior to distribution, there are no specific regulatory pathogen reduction requirements for most of these products. The proposed performance standards will help ensure the safety of these products; give establishments the incentive and flexibility to adopt innovative, science-based food safety processing procedures and controls; and provide objective, measurable standards that can be verified by Agency oversight.

FSIS also is proposing environmental testing requirements intended to reduce the incidence of *Listeria monocytogenes* in RTE meat and poultry products. Specifically, FSIS is proposing to require establishments that produce RTE meat and poultry products to test food contact surfaces for *Listeria spp.* to verify that they are controlling the presence of *L. monocytogenes* within their processing environments. Establishments that have developed and implemented HACCP controls for *L. monocytogenes* would be exempt from these testing requirements.

Finally, FSIS is proposing to eliminate its regulations that require that both RTE and not-ready-to eat pork and products containing pork be treated to destroy *trichina* (*Trichinella spiralis*). These requirements are inconsistent with HACCP and some will be unnecessary if FSIS makes final the proposed performance standards for RTE meat and poultry products.

DATES: Comments must be received on or before May 29, 2001.

ADDRESSES: Submit one original and two copies of written comments to FSIS Docket #97–013P, U.S. Department of Agriculture, Food Safety and Inspection Service, Room 102, Cotton Annex, 300 12 St., SW., Washington, DC 20250–3700. All comments submitted in response to this notice will be available for public inspection in the Docket Clerk's Office between 8:30 a.m. and 4:30 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Daniel L. Engeljohn, Ph.D., Director, Regulation Development and Analysis Division, Office of Policy, Program Development, and Evaluation, Food Safety and Inspection Service, U.S. Department of Agriculture (202) 720–5627.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Background
II. RTE Meat and Poultry Products
III. Performance Standards and HACCP
IV. The Proposed Performance Standards
A. Lethality
Compliance with the Proposed Lethality Performance Standards
Derivation of the Proposed Lethality Performance Standards
Selection of the Reference Organisms
Dried Products
Salt-cured Products
Fermented Products
Cooked and otherwise Processed Whole or Comminuted Meat Products
Meat Patties
Cooked and otherwise Processed Whole or Comminuted Poultry Products
B. Stabilization
V. *Listeria monocytogenes*
A. Proposed Requirements for Controlling *L. monocytogenes*
B. Shelf-life and Labeling
VI. Thermally Processed, Commercially Sterile Products
A. Lethality
B. Commercial Sterility
C. Training
VII. Elimination of *Trichina* Treatment Requirements
VIII. Other Proposed Revisions to the Regulations
IX. Scientific Information and Data Needs
X. Summary of the Proposed Rule
XI. Compliance with Executive Order 12866
XII. Compliance with the Regulatory Flexibility Act
XIII. Executive Order 12988
XIV. Risk Analysis
XV. Additional Public Notification
XVI. Paperwork Requirements
XVII. References
XVIII. Proposed Regulations
Appendix 1

I. Background

Under the Federal Meat Inspection Act (FMIA; 21 U.S.C. 601 *et seq.*) and the Poultry Products Inspection Act (PPIA; 21 U.S.C. 451 *et seq.*), FSIS issues regulations governing the production of meat and poultry products prepared for distribution in commerce. The regulations, along with FSIS inspection programs, are designed to ensure that meat and poultry products are safe, wholesome, unadulterated, and properly marked, labeled, and packaged. In this document, FSIS is proposing to establish new pathogen reduction regulations for ready-to-eat (RTE) and partially heat-treated meat and poultry products. This proposed action is compelled by recent outbreaks of foodborne illness related to the consumption of adulterated RTE meat and poultry products, as well as the need to provide objective, measurable pathogen reduction standards that can be met by official establishments and compliance with which can be determined through Agency inspection.

II. RTE Meat and Poultry Products

RTE meat and poultry products are products that have been processed so that they may be safely consumed without further preparation by the consumer, i.e., without cooking or application of some other lethality treatment to destroy pathogens. Although many of these products, such as frozen pizzas or country hams, customarily are cooked or otherwise reprocessed by the consumer, they would be safe to eat, if unpalatable, without this further preparation.

RTE meat and poultry products can be either non-shelf-stable or shelf-stable. Non-shelf-stable, RTE products must be refrigerated until consumption to prevent the growth of both pathogenic and spoilage organisms. Shelf-stable products remain ready-to-eat under ordinary temperature and humidity conditions and, if the package integrity is maintained during holding, shipping,

storage, display at retail, and in the home, throughout the manufacturer's shelf-life determination. Throughout the shelf-life, shelf-stable products are safe to eat when unrefrigerated (at temperatures over 50 °F or 10 °C) without additional preparation. Thermally processed, commercially sterile meat and poultry products are packaged in hermetically sealed containers (usually cans) and also remain shelf-stable under unrefrigerated conditions (over 50 °F or 10 °C).

For the purposes of this proposal, FSIS has divided ready-to-eat meat and poultry products into five categories, based on the type of processing they receive: dried products; salt-cured products; fermented products; cooked or otherwise processed whole and comminuted products; and thermally-processed, commercially sterile products. Many of these products can be either shelf-stable or non-shelf-stable.

EXAMPLES OF RTE PRODUCTS

Dried Products	Basturma, Pastirma, Basturmi.
	Beef Sticks.
	Carne Seca.
	Dried Beef.
	Dry Duck Breast.
	Meat/Poultry Jerky.
Salt-Cured Products	Cappicola.
	Coppa.
	Country Ham.
	Dry Cured Duck.
	Parma Ham.
	Prosciutto, Prosciutti.
Fermented Products	Alessandri (Dry Sausage).
	Apenino (Dry Sausage).
	Arles or D'Arles (Dry Sausage).
	Blockwurst (Semi-Dry Sausage).
	Cacciatore/Cacciatora (Dry Sausage).
	Cervelat.
	Cervelat, Soft.
	Chorizo.
	Lebanon Bologna.
	Pepperoni.
	Salami, Soft.
	Salami: Genoa, Italian, German.
	Summer Sausage.
	Thuringer.
	Thuringer, Soft.
Cooked or Otherwise Processed Whole or Comminuted Products	*Meat*
	Berliner (Cooked, Smoked Sausage).
	Bologna.
	Bratwurst, Cooked.
	Braunschweiger/Liver Sausage.
	Breakfast Link Sausage or Patties.
	Brown and Serve Sausage.
	Burritos.
	Cheese Smokies.
	Cheesefurter.
	Cheesewurst/Cheddarwurst.
	Chili.
	Chorizo.
	Cooked Beef.
	Cooked Ham.
	Cooked Pork in BBQ Sauce.
	Cotto Salami.
	Entrees/Dinners.
	Fleischkaese (Cured, Cooked Sausage).
	Frankfurters.
	Frozen Entrees/Dinners.
	Gyros.
	Meat Loaf.
	Meat Salads.
	Meat Soups, Frozen.
	Nem-Chua (Cooked, Pickled Ham with Shredded Pork Skin).
	Pasta with Meat Sauce.
	Pastrami.
	Pickled Pigs Feet in Vinegar.
	Pickled Sausages/Meat in Vinegar.
	Piroshki.
	Pork Barbecue.
	Pork Sausage Patties.
	Ravioli.
	Roast Beef.
	Roast Pork.
	Souse.

EXAMPLES OF RTE PRODUCTS—Continued

	Stews. White Hots. Wieners. *Poultry (Includes Products Containing any Amount of Poultry).* Chicken Burritos. Chicken BBQ. Chicken Bologna. Chicken Breast. Chicken Franks. Cooked Poultry. Cooked Poultry Rolls. Corn Chowder with Chicken. Entrees/Dinners. Poultry Loaf. Poultry Patties. Poultry Rolls. Poultry Salads. Poultry Soups, Frozen. Turkey BBQ. Turkey Franks.
Thermally-Processed, Commercially Sterile Products	Canned Spaghetti with Meat Balls. Canned Corned Beef Hash. Canned Ham. Canned Chicken Salad. Canned Soups with Meat or Poultry.

FSIS is proposing to require that the processing of each of these types of products achieve specific levels of pathogen reduction, as well as control over the growth of target pathogens so that they do not exceed specific levels. These levels are the performance standards. Establishments also would be required to maintain these levels of pathogen reduction and pathogen growth in their products, under normal handling conditions, until their products reach the consumer.

FSIS already has established pathogen reduction performance standards specific to certain types of not-shelf-stable, RTE meat and poultry products. On January 6, 1999, FSIS published a final rule in the **Federal Register** (FSIS Docket No. 95–033F; 64 FR 732) that established performance standards for RTE roast beef, corned beef, and cooked beef, all ''fully-cooked'' RTE poultry products, and partially-cooked meat patty and poultry products. Those standards are consistent with and, in fact, incorporated into the more comprehensive group of standards proposed in this document.

III. Performance Standards and HACCP

Under the regulations in 9 CFR 417, FSIS requires each official meat and poultry establishment to develop and implement a Hazard Analysis and Critical Control Point (HACCP) system, a science-based process control system for food safety that promotes systematic prevention of biological, chemical, and physical hazards. Establishments are responsible for developing and implementing HACCP plans that incorporate the controls necessary and appropriate to produce safe meat and poultry products. HACCP is a flexible system that enables establishments to tailor their control systems to the needs of their particular plants and processes. Performance standards can be usefully and seamlessly incorporated into HACCP systems.

When developing a HACCP plan, an establishment must conduct a hazard analysis to identify and list the physical, biological, or chemical food safety hazards reasonably likely to occur in the production process for a particular product and the preventive measures necessary to control those hazards. The establishment then must identify the critical control points (CCPs) in each of its processes. A CCP is a point, step, or procedure in a food process at which control can be applied to ensure that the occurrence of a food safety hazard is prevented, eliminated, or reduced to an acceptable level. Next, the establishment must establish critical limits for the preventive measures associated with each identified CCP. A critical limit is the maximum or minimum value to which a hazard must be controlled at a CCP to prevent, eliminate, or reduce to an acceptable level the occurrence of the identified food safety hazard. Critical limits are most often based on process parameters such as temperature, time, water activity, pH, or humidity. Significantly, critical limits must be designed to satisfy relevant FSIS regulations, including performance standards.

Therefore, performance standards are an integral part of the HACCP systems in official meat and poultry establishments. HACCP provides the framework for industry to set up science-based process controls. Performance standards tell establishments what those controls need to achieve for their HACCP plans to be effective and provide a necessary measure of accountability for achieving acceptable food safety. Performance standards and HACCP provide meat and poultry establishments with the incentive and flexibility to adopt innovative, science-based processing procedures and controls; ensure safety for consumers; and provide objective, measurable standards, compliance with which can be determined through Agency inspection.

IV. The Proposed Performance Standards

A. Lethality

For each category of RTE product, FSIS is proposing at least one lethality performance standard. The term ''lethality'' refers to a required reduction in the number of specific pathogenic organisms. Further, FSIS is proposing lethality performance standards that reflect the destruction of ''reference'' organisms, i.e., microorganisms whose elimination or reduction most often indicates the elimination or necessary reduction of other pathogens of concern.

In this proposed rule, for all RTE products except thermally-processed, commercially sterile products, the lethality performance standards are

expressed as probabilities of remaining numbers of the reference pathogen in 100 grams of finished product after a successful lethality treatment is, or treatments are, applied to hypothetical ''worst case'' raw product. The lethality performance standards also are expressed as the number of decimal reductions of the reference pathogen required to achieve those probabilities in hypothetical worst case products. These decimal reductions are expressed as ''x-$\log_{10}$'', meaning that the expected relative reduction of the reference organism would be a factor of 10^x. FSIS has tentatively concluded that effecting these specific reductions ensure even a worst case product would present no health risk to consumers.

For all RTE meat and poultry products, other than thermally processed, commercially sterile products, FSIS is proposing to require that processing achieve one of the following probabilities that that no more than small numbers of *Salmonella* would remain in any 100 gram sample of a finished product made from worst case product:

>0 surviving	>1 surviving	>2 surviving	>3 surviving	>4 surviving
39.4	9.06	1.45	0.177	0.0174

Although an establishment's processing would be required to achieve these probabilities that there will be few, if any, remaining pathogens in finished product, any detectable levels of viable *Salmonella* in RTE product would render that product adulterated.

Alternatively, official establishments may employ processes validated to achieve specific levels of reduction of *Salmonella* organisms throughout their finished, RTE meat and poultry products: 6.5-$\log_{10}$ throughout finished, RTE meat products and 7-$\log_{10}$ throughout finished, RTE products containing any amount of poultry. The probabilities in Table 1 are derived from statistical models of hypothetical worst case meat and poultry products that have been successfully processed to achieve 6.5-$\log_{10}$ and 7-$\log_{10}$ reductions in *Salmonella*, respectively. A hypothetical, worst case raw meat product would contain 6.2-$\log_{10}$ of *Salmonella* per hundred grams; a hypothetical, worst case raw poultry product would contain 6.7-$\log_{10}$ of *Salmonella* per hundred grams. See the section entitled ''Derivation of the Proposed Lethality Performance Standards'' for further discussion.

The Agency has selected *Salmonella* as the reference organism for most RTE meat and poultry products because: (1) It is prevalent in raw poultry, beef, and pork; (2) it causes a high incidence of foodborne illness; and (3) foodborne illness associated with *Salmonella* is severe. See the section entitled ''Selection of the Reference Organisms'' for additional discussion of how FSIS determined the lethality performance standards and the target pathogen for each type of RTE meat and poultry product.

Because destruction of reference organisms may not always result in the elimination or necessary reduction of other pathogens of concern, FSIS also is proposing to clarify in the regulations that establishments must also reduce other pathogens and their toxins or toxic metabolites to the levels necessary to prevent product adulteration. It is the responsibility of the establishment to ensure that the final product is safe. If FSIS were to find certain viable pathogens in a RTE product at levels considered dangerous, even in product otherwise free of the reference pathogen, it would consider that product to be adulterated.

FSIS is not proposing any specific lethality performance standards in addition to those that target the reference pathogen, *Salmonella*, except for fermented RTE products that contain beef. Within its hazard analysis, each establishment will be responsible for determining which other pathogens might survive processing and then implementing the appropriate control measures. FSIS requests comment on whether it should enumerate, in its regulations, lethality performance standards for other pathogens and toxins that can pose hazards to specific products or within specific processing contexts.

FSIS is proposing an additional lethality performance standard for all fermented RTE products that include any amount of beef, except thermally-processed, commercially sterile products. The Agency is proposing to require that establishments that produce these products implement processes that result in the following probabilities that, at worst, only minute amounts of *E. coli* O157:H7 organisms would remain in any 100 gram sample of a finished product made from worst case product:

TABLE 2.—PROBABILITY (%) OF E. COLI O157:H7 SURVIVING IN 100 GRAMS OF FINISHED PRODUCT MADE FROM WORST CASE PRODUCT

>0 surviving	>1 surviving
22.2	2.67

Although an establishment's processing would be required to achieve these probabilities of remaining pathogens in finished product, any detectable levels of viable *E. coli* O157:H7 in RTE product would render that product adulterated.

FSIS also is proposing that, alternatively, establishments may employ processes validated to achieve a 5.0-$\log_{10}$ reduction of *E. coli* O157:H7 throughout fermented products containing beef. The probabilities in Table 2 are derived from statistical models applied to hypothetical worst case beef products that have been processed to achieve a 5-$\log_{10}$ relative reduction in *E. coli* O157:H7. A hypothetical, worst case raw product that contained any amount of beef would contain 4.4-$\log_{10}$ of *E. coli* O157:H7 per hundred grams. See the section entitled ''Derivation of the Proposed Lethality Performance Standards'' for further discussion.

The Agency is proposing this lethality performance standard in addition to the *Salmonella* standard for fermented products that contain beef for several reasons. In 1994, there was an outbreak of foodborne illness linked to *E. coli* O157:H7 in fermented beef sausages. Also, these products may not be fully cooked before fermentation and fermentation creates an acidic environment in which *E. coli* O157:H7 can survive.

Also, the FSIS Office of Public Health and Science (OPHS) recently sponsored a study entitled ''Risk Assessment of the Public Health Impact of *Escherichia coli* O157:H7 in Ground Beef'' (Ref. 1, available for viewing by the public in the FSIS Docket Room). The draft risk assessment shows that levels of *E. coli* O157:H7 in cattle represents a risk to consumers of ground beef and that unless there is a significant intervention on the farm or during processing, the risk is likely to remain. This draft risk assessment is discussed further under the sections entitled ''Derivation of the

Proposed Lethality Performance Standards'' and ''Fermented Products.''

Cattle and sheep may carry *E. coli* O157:H7 in the intestinal tract at the time of slaughter. However, among commercially-prepared meat products, only those that contain beef have been implicated in a number of foodborne illnesses associated with this pathogen. Therefore, in regard to meat and poultry products, the Agency is proposing this standard only for fermented products that contain beef.

FSIS is not proposing this performance standard for fermented poultry products that do not contain beef. *E. coli* O157:H7 has been found to colonize the ceca of chickens and has been isolated from retail poultry in the United States (Ref. 2, available for viewing by the public in the FSIS Docket Room). However, FSIS has never found the pathogen in raw or ready-to-cook samples of poultry obtained from processing establishments. FSIS requests comment as to whether it should also apply this standard to RTE fermented poultry products that do not contain beef, as well as to RTE fermented meat products that do not contain beef.

FSIS is proposing performance standards for thermally-processed, commercially sterile meat and poultry products that are similar to these lethality standards but derived somewhat differently. See the section ''Thermally-Processed Commercially Sterile Products'' for a complete discussion.

Compliance With the Lethality Performance Standards

To meet the proposed lethality performance standards, establishments would need to employ processes validated either to achieve the proposed decimal reductions of pathogens throughout a finished product or that result in one of the stated probabilities that only small numbers of reference organisms would remain viable in a worst case finished product. To develop criteria for evaluating the effectiveness of processes that achieve one of the proposed probabilities, it will be necessary for the processor to define, using associated statistical criteria, the expected characteristics of the treated product after processing, assuming certain product conditions before processing. For example, an establishment would need to specify that the probability of there being more than *x* surviving organisms in the finished product is no more than *p*, given that the worst case pre-processed product contained at least *y* organisms.

By codifying acceptable probabilities of remaining reference organisms in finished product, FSIS would be allowing establishments to employ processes that achieve varying levels of lethality, therefore providing processing flexibility while ensuring product safety. By also proposing specific lethality performance standards in the regulations, FSIS provides clear performance standards to establishments that may not have the resources to derive an alternative lethality or the ability to demonstrate that their process achieves a specific probability that no more than a certain number of reference organisms might exist in the finished product.

As explained above, FSIS has tentatively determined that processes that achieve the proposed lethality performance standards will process hypothetical, worst case raw product into finished, RTE product that poses no health risk to the consumer and is thus safe. In reaching this tentative conclusion, the Agency made conservative assumptions concerning the actual lethality achieved throughout the product. The Agency acknowledges that it might be possible for producers to demonstrate scientifically that these lethality assumptions or the Agency's defined worst case would not be applicable for their particular processing situation. An establishment could then design a process with lethality values that are different from those provided in this rule, but that would still yield a product that meets the final conditions equivalent to those achieved by the specific levels of pathogen reduction contained in the lethality performance standards.

An establishment developing an alternative lethality treatment or treatments and assuming an initial product condition other than the worst case would need to include in its HACCP plan scientific data and statistical validation that would justify the assumed initial conditions and verify that these would remain constant over time. For example, an establishment may be able to demonstrate that the number of *Salmonella* is not uniformly distributed throughout a particular type of product. The establishment also might demonstrate that because of husbandry and slaughter practices, the worst case product processed within an establishment differs from the worst case scenarios developed for this rule. Demonstrations of initial product conditions solely by statistical means would likely be insufficient to ensure that processes that employ alternative lethalities will result in product that meets the performance standards.

Generally, an establishment will need to demonstrate in its HACCP plan how its lethality treatment results in a finished product equivalent to that provided by compliance with the probabilities set out in this proposal. The establishment will need to demonstrate the relationships between the lethality treatments and the specific characteristics of a product, such as physical and chemical properties. This demonstration could involve the use of heat transfer equations and should account for all variables that would affect lethality (e.g., size of product, humidity, density, thermal conductivity, specific heat, shape, product composition, and strain of organism).

Finally, establishments employing alternative lethalities will need to demonstrate, within their HACCP plans, that they have validated their processes as being effective in ensuring product safety. Section 417.4(a)(1) of the HACCP regulations sets forth the ''initial validation'' requirements for establishments under HACCP:

> Upon completion of the hazard analysis and development of the HACCP plan, the establishment shall conduct activities designed to determine that the HACCP plan is functioning as intended. During this HACCP plan validation period, the establishment shall repeatedly test the adequacy of the CCPs, critical limits, monitoring and record keeping procedures, and corrective actions set forth in the HACCP plan. Validation also encompasses reviews of the records themselves, routinely generated by the HACCP system, in the context of other validation activities.

FSIS explains the derivation of the proposed lethality performance standards in the following section. A technical paper (Ref. 3, available for viewing by the public in the FSIS Docket Room and on the Internet.[1]) explaining the derivation of the lethality performance standards also is available. Establishments are encouraged to use this paper when developing alternative lethalities. In the paper, FSIS explains the methodology used to calculate the probability of remaining *Salmonella* organisms in treated product.

Notably, with any final action, FSIS will provide compliance guides that give explicit processing instructions and time/temperature combinations proven to achieve the proposed decimal reductions of pathogens. Small and other establishments that do not have the technical resources to demonstrate that they are meeting the proposed

[1] http://www.fsis.usda.gov /OPPDE/rdad/FRPubs/95– 033F_tech%20paper.pdf

performance standards may use these compliance guides to develop their HACCP systems. FSIS has published compliance guides for meeting the lethality and stabilization performance standards already set forth in its January 6, 1999, final rule, has posted these documents to the FSIS web page (*http://www.fsis.usda.gov*), and has made the documents available free of charge via the Constituent Update (see section XIV Additional Public Notification) and the FSIS docket room. FSIS expects to make additional draft guidance documents available after publication of this proposed rule and as information becomes available in order to provide establishments with guidance for safely manufacturing RTE meat and poultry products. These draft guidance materials will be clearly identified as guidance materials and not as regulatory requirements. These guides would be applicable to the processing of many of the RTE meat and poultry products governed by these proposed regulations. FSIS plans to update these guides soon in accordance with ongoing Agricultural Research Service studies. Where possible, FSIS will base its compliance guides on existing industry practices and requests comment and information regarding processing that has been shown to meet the proposed performance standards.

Derivation of the Proposed Lethality Performance Standards

Salmonella

To derive the proposed lethality performance standards for *Salmonella*, FSIS first determined the levels of *Salmonella* in a hypothetical worst case raw product of a fixed weight. The hypothetical ''worst cases'' for *Salmonella* and *E. coli* O157:H7 were derived using data from FSIS's Nationwide Microbiological Baseline Data Collection Program surveys (Ref. 4, available for viewing by the public in the FSIS Docket Room). The baseline surveys conducted by FSIS were designed to provide estimates of the national prevalence and levels of selected bacteria of public health concern. *Salmonella* was one of the pathogens specifically addressed in all of the baseline surveys for the various classes of products. The baseline surveys were conducted over a specified period of time ranging from a half year to a full year. The baseline surveys were used to establish the pathogen reduction performance standards for *Salmonella* that were included as a component of the Pathogen Reduction-HACCP final rule of July 25, 1996 (61 FR 38806). The performance standards for *Salmonella* that were established as part of the Pathogen Reduction-HACCP final rule differ from the proposed lethality performance standards for *Salmonella* included as part of this proposed rulemaking.

The *Salmonella* performance standards for the Pathogen Reduction-HACCP final rule are designed as follows: they are applicable to establishments that produce raw products; FSIS collects and tests samples from raw product; the results of the raw product samples are reported to the establishment by FSIS after a specified number of samples are collected over time; and a positive result for *Salmonella* in raw product generally does not result in an adulteration determination. In contrast to this design, the *Salmonella* lethality performance standards of this proposed rule are designed as follows: they are applicable to establishments that produce ready-to-eat products (not raw product); the establishment may sample and test samples of RTE product as part of its verification activity associated with the production of RTE product and any testing by FSIS is conducted as part of the Agency's verification activity; and a positive result for *Salmonella* in RTE product does result in an adulteration determination. The premise and use of the lethality performance standards for *Salmonella* in this proposed rule are unchanged from those previously contained in the recent final rule for RTE products (64 FR 732, January 6, 1999). Consequently, the baseline surveys were used in the design of two separate performance standards: one performance standard identifies the prevalence of *Salmonella* in raw product over a specified period of time; the other performance standard (addressed as part of this proposed rule) identifies the expected reduction in the level of *Salmonella* in RTE product in a specified lot of product. Since these two performance standards apply to different types of establishments (i.e., the former applies to establishments producing raw product; the latter applies to establishments producing RTE product), they are not duplicative standards nor do they directly relate to each other. The only commonality between these two performance standards for *Salmonella* is that they are both derived from the same baseline surveys. The level of *E. coli* O157:H7 in raw products also was assessed in the same baseline studies as were used to determine the level of *Salmonella* in raw products.

Using the national baseline survey information to establish the levels of selected bacteria of public health concern (e.g., *Salmonella*), the Agency then determined levels of lethality that would limit the probability of any remaining *Salmonella* or *E. coli* O157:H7 in finished product produced from worst case raw product. FSIS made conservative but reasonable assumptions concerning measurement error and distributions of organisms throughout the product. These assumptions are fully discussed in the technical paper (Ref. 3, available in the FSIS Docket Room and at the FSIS web page http://www.fsis.usda.gov). However, the assumptions are generally based on the following which are further discussed below: the number of organisms recovered from frozen samples; the sensitivity of the detection methodology; the confidence level of measurement variability; and the serving size. Thus, worst case levels in product are not expected to actually occur, provided products are handled appropriately before lethality treatments. The derived worst case levels are hypothetical constructs meant to represent upper limits of possibilities for raw product produced under appropriate, normal manufacturing conditions. These conditions include maintaining the raw product at or below temperatures known to prevent growth of *Salmonella* and most other pathogenic organisms (e.g., at or below 40 degrees Fahrenheit). In addition, they include processing the raw product into RTE product quickly before the raw product's surface temperature becomes elevated for sufficient amounts of time to allow *Salmonella* and most other pathogenic organisms to multiple exponentially. FSIS believes that under these conditions, processes that satisfy the performance standards established as a result of this rulemaking will be safe.

The Agency used the most probable number (MPN) method for measuring levels of *Salmonella* in the FSIS surveys of meat and poultry products. The MPN measurements were made on frozen samples. The calculations used to determine the number of organisms for the worst case product take into account non-recovery of organisms in frozen samples.

For *Salmonella*, the Agency assumed a 30 percent recovery of organisms from frozen samples (Ref. 3, available for viewing by the public in the FSIS Docket Room). The expected recovery is a function of how quick and long the sample was frozen. Based on FSIS experience with samples, the approximate detection limit for recovery of *Salmonella* is 0.5 cells per gram in 25-gram frozen samples. This means that there is a high probability that a 25-

gram sample with 13 organisms would be found positive. For the purposes of this regulation, the Agency assigned a 99% probability that a 25-gram sample with 13 *Salmonella* cells would test positive. Even if one organism were recovered, the sample result would be positive, so that the probability of a positive sample result can be expressed as $1\tau^{13}$, where τ is the theoretical probability of a single injured or uninjured *Salmonella* organism not being recovered. With this assumption, for frozen samples, τ is approximately 70%, that is, there is a 70% probability that a single organism would not be recovered. Thus, there is a 30% recovery of *Salmonella* cells.

To account for measurement variability, the Agency calculated the 97.5 percent upper confidence limit associated with the measured MPN value (Ref. 3, available for viewing by the public in the FSIS Docket Room). FSIS did not use the average level of *Salmonella* reported for the various classes of product. Rather, in order to determine the highest estimate for the level of *Salmonella* in raw products, FSIS took the raw data, not the calculated average, and computed a number at the 97.5 percent upper confidence level. Using this upper limit, the Agency then computed the upper limit for 143 grams of raw product. The Agency used 143 grams of raw product as the basis for its calculations because after cooking, assuming a 70 percent yield, 143 grams would result in approximately 100 grams (3.5 ounces) of cooked product.

The Agency used the high MPN value for ground chicken (the highest MPN value measured for poultry products) from the FSIS national baseline surveys [2] to determine the proposed lethality for *Salmonella* for all RTE products containing poultry, other than thermally processed, commercially sterile products. For ground chicken, the upper 97.5 percent confidence limit for the highest measured MPN value of 2300 MPN per gram for *Salmonella*, assuming a 30 percent recovery, is approximately 37,500 cells/gram, which, when multiplied by 143 grams totals approximately 6.7-$\log_{10}$ cells. Therefore, the level of *Salmonella* organisms in a hypothetical worst case raw product would be greater than 6.5-$\log_{10}$ but just less than 7.0-$\log_{10}$. Consequently, to provide a margin of safety and to use either a whole or half integer lethality, FSIS is proposing to require a reduction in viable *Salmonella* of 7.0-$\log_{10}$, which is 0.3-$\log_{10}$ above the worst case level, throughout RTE products that contain poultry, other than thermally processed, commercially sterile products. The consequence of this choice is that, for a hypothetical ''worst case'' product, the probability of surviving *Salmonella* organisms is 39.4%, assuming that the distribution of the number of survivors is binomial with number parameter equal to the number of organisms in the worst case and the probability parameter equal to $1/10^x$ where x is the required decrease in viability.

Alternatively, an establishment may use a processing procedure validated to achieve the probabilities in Table 1 above that no more than specific amounts of *Salmonella* would remain in any 100 gram sample of a finished, hypothetical worst case product. As stated above, these probabilities would result in hypothetical worst case poultry products that had been successfully processed to achieve a 7-$\log_{10}$ reduction in *Salmonella*.

To determine the proposed lethality for RTE meat products that do not contain poultry, other than thermally processed, commercially sterile products, the Agency used the high MPN value for whole beef (the highest MPN value measured for all meat products): 240 MPN/cm^2. To translate this value to a level per gram, FSIS assumed that, for a worst case level, a cut of meat is 0.8 cm and that the specific density of beef is approximately 1.1 grams/cm^3 (slightly lower than average) (Ref. 3, available for viewing by the public in the FSIS Docket Room). These factors are for practical purposes equal to 1, so that the MPN/cm^2 values are assumed to estimate the level per gram of product. Thus, for the worst case derivation, the starting value is 240 MPN/g.

The 97.5 percent upper confidence limit, assuming a 30 percent recovery, is 4100 cells/g. Because samples for the whole product surveys consisted of pooled tissue from 3 different carcass sections, and the prevalence was low (less than 3 percent), the Agency assumed that the high value used for determining the worst case product is 3 times that of the measured MPN value. Thus, the 97.5 percent upper confidence limit is multiplied by 3 and then multiplied by 143 grams. The resulting number of organisms for the worst case product is approximately 6.2-$\log_{10}$. Therefore, to provide the same margin of safety as provided for with poultry products, the proposed required lethality is obtained by adding 0.3 $\log_{10}$ to the worst case level of 6.2 $\log_{10}$. Thus, FSIS is proposing to require either a relative reduction in viable *Salmonella* of 6.5-$\log_{10}$ throughout finished, RTE meat products, or alternatively, one of the probabilities listed above in Table 1. FSIS has not specified the probability of worst case product actually occurring since the worst case was a hypothetical construct based, in part, on a high confidence level of the maximum observed level of microorganisms in a statistically designed national baseline. In addition, FSIS made additional assumptions that FSIS believes to be conservative. All the assumptions regarding the derivation of the worst case are contained in the technical paper (Ref. 3, available in the FSIS Docket Room and at the FSIS web page, *http://www.fsis.usda.gov).* FSIS requests comments regarding these assumptions.

E. coli O157:H7

After a 1994 outbreak of illnesses caused by *E. coli* O157:H7, FSIS recommended that producers of fermented RTE products that contain any amount of beef validate their processes to achieve a 5.0 $\log_{10}$ lethality of *E. coli* O157:H7 (see additional discussion under *Fermented Products*). This recommended lethality was based on a report submitted to FSIS (The Task Force on Technical Issues Arising from the National Advisory Committee for Microbiological Criteria for Foods (NACMCF)). The 5-$\log_{10}$ relative reduction was derived by adding 1 $\log_{10}$ as a safety margin to an assumed worst case of 4.0 $\log_{10}$ that was recommended by the NACMCF. If this lethality were applied in a product containing 10^4 cells per gram, then it would be expected that a single cell would remain. However, the conclusion that a

[2] While the numbers of samples in the FSIS national surveys are rather large, the largest MPN value, as an estimate of large densities of pathogenic organisms, from a statistical perspective, may have substantial statistical variation. Thus, to reduce differences in required lethality reductions caused by statistical variation, data sets of different species were combined if warranted by consideration of the prevalences and possibly the geometric means of the levels of the organisms for these species. The high value of combined data sets was used for determining the hypothetical worst case for these species. The criteria used for combining data sets of different species are easier stated as the converse of criteria for when data sets would not be combined and thus the lethality requirements for these species would be different. The criteria for determining when lethality requirements for two species, A and B, are different are: For a given type of product, the lethality requirement for species A is larger than that of species B if (1) the high MPN value for species A is larger than that of species B, and (2) the prevalence for species A is larger than that of species B, or the prevalences are approximately equal and the geometric mean for species A is larger than that of species B. Otherwise, the lethality requirements would be the same and the high value of the combined data set would be used for both species A and B. For the products and pathogen considered in this proposed regulation, the criteria for combining data depend upon the prevalences and the high values.

single *E. coli* O157:H7 cell per 10 grams (or a possible 10 cells per 100 grams) remaining in the product adequately prevents foodborne disease is in question. Some researchers now believe that low numbers of *E. coli* O157:H7 cells ingested are sufficient to cause foodborne disease (Ref. 5, available for viewing by the public in the FSIS Docket Room).

Presented in chapter 5 of the OPHS risk assessment are results of a derivation of the possible number of *E. coli* O157:H7 cells in combo bins of 2000 pounds or approximately $10^{5.96}$ grams (Ref. 1, available for viewing by the public in the FSIS Docket Room). The highest number associated with a non-zero probability is 10^7 cells for which an upper bound probability of occurrence is 0.002% (1/50,000). As discussed above in the derivation of the proposed lethality requirements, the Agency considers the number of cells in 143 grams of raw product, accounting for a possible 70% yield when the product is processed. A bin with 10^7 cells implies that the expected number of cells in 143 grams of raw product would be about 3.2 $\log_{10}$ cells per 100 grams. The assumptions used in deriving this number assume that the *E. coli* O157:H7 cells present are uniformly distributed throughout the bin, so that the 3.2 $\log_{10}$ represent an average or expected number of cells per 143 grams of product. It is clearly possible that there would be in some 143-gram portion more than 3.2 $\log_{10}$ *E. coli* O157:H7 cells. Thus, a worst case level should be larger than 3.2 $\log_{10}$ *E. coli* O157:H7 cells.

To derive worst case levels for *E. coli* O157:H7 for the purpose of determining a performance standard, the Agency applied the algorithm, described above for *Salmonella,* using information presented in OPHS risk assessment. This risk assessment presented results of MPN analyses from the Agency's microbiological baseline surveys of bovine carcasses (Ref. 1, available for viewing by the public in the FSIS Docket Room). In total, out of about 4,000 samples, 4 samples were found positive. For each positive a matching sample was analyzed using the MPN procedure. Of the 4 analyzes, 2 were found positive. The highest reported MPN value was 0.93 cells/cm^2, which, as described above, is assumed to represent level per gram value, or 0.93 MPN/gram. A 97.5 percent upper confidence limit for this value is 3.7 cells/cm^2. FSIS did not use the average level of *E. coli* O157:H7 reported for the various classes of product. Rather, in order to determine the highest estimate for the level of *E. coli* O157:H7 in raw products, FSIS took the raw data, not the calculated average, and computed a number at the 97.5 percent upper confidence level.

The samples used for determining *E. coli* O157:H7 levels in the FSIS surveys were frozen. In the OPHS risk assessment, information concerning the recovery rate is given. It is stated in the report that nine 25-gram samples of ground beef were inoculated with 0.7 *E. coli* O157:H7 organisms per gram, and that eight of these samples subsequently were detected as positive. In determining the possible recovery for *E. coli* O157:H7 cells in a sample that is subsequently frozen, FSIS assumes that the actual number of cells in a specified 25-gram sample is a random variable, n, following a Poisson distribution, $f(n, \lambda) = e^{-\lambda}\lambda/n!$, with expected value $\lambda = 17.5$. If τ is the probability of not recovering a given single cell, then the probability of detecting the presence of *E. coli* O157:H7 in a 25 gram sample, is, $\pi = \Sigma\,(1-\tau^n)f(n, \lambda) = 1 - e^{-\lambda(1-\tau)}$. Thus, the probability of recovering a given cell is $1-\tau = -\ln(1-\pi)/\lambda$. From nine samples, eight were detected positive, so that a 97.5% lower confidence bound for π is 0.6635. Using this value for π, the derived value for $1-\tau$ is 0.062, representing the recovery. For the worst case level, the 97.5 percent upper bound, 3.7 cells/cm^2, is divided by 0.062 to derive 59.45 cells/cm^2.

As described above for deriving the worst case levels for *Salmonella* in beef, the measured levels are multiplied by 3, to account for the fact that samples from the bovine FSIS baseline surveys consisted of a composite from 3 sections of the carcass, and for a worst case derivation, FSIS assumes that all the cells existed in one of the three sections. Thus, for the worst case level, the 59.45 cells/cm^2 is multiplied by 3, and then multiplied by 143 grams to derive an approximate 4.4 $\log_{10}$ cells for the worst case level.

The above derivation indicates that the ''worst case'' level of 4.4 $\log_{10}$ cells per 143 grams is greater than the highest expected level of 3.2 $\log_{10}$ cells per 143 grams derived in the OPHS risk assessment. Consequently FSIS will use the 4.4 $\log_{10}$ as the ''worst case'' level.

To provide the same margin of safety as provided for with *Salmonella* in poultry and red meat products, the lethality is obtained by adding 0.3 $\log_{10}$ to the worst case level of 4.4 $\log_{10}$. However, foodborne illness associated with *E. coli* O157:H7 might be more severe than that associated with *Salmonella,* as testified to by the severity of many reported cases in children and senior citizens. Also, as stated above, some researchers believe that low numbers of ingested *E. coli* O157:H7 cells are sufficient to cause foodborne illness. Furthermore, there is only a small amount of data from the Agency's microbiological baseline survey: four samples, of which only two were positive. This number of samples does not provide a high degree of confidence in the magnitude of the higher levels that might exist. Consequently, FSIS is requiring that processors of fermented products containing beef achieve a higher probability of no surviving cells of *E. coli* O157:H7 in treated worst case products than that required for *Salmonella.* Specifically, FSIS is proposing a 5-$\log_{10}$ lethality, which can be obtained by adding 0.6 $\log_{10}$ to the ''worst case'' level (instead of 0.3 $\log_{10}$ added for *Salmonella*). The probability of no surviving *E. coli* O157:H7 cells given a ''worst case'' level of cells is about 78% (instead of 61% for *Salmonella*).

FSIS also examined measured levels of *E. coli* O157:H7 found in suspect lots of hamburger identified in foodborne disease outbreaks (Refs. 6 and 7, available for viewing by the public in the FSIS Docket Room). Direct count determinations were as follows: 50, 100, 5100, and 6200 colony forming units (CFU) per gram. Because of the possibility that the high *E. coli* O157:H7 levels represent product that has been abused and thus are not representative of product produced in an establishment and used in RTE product, FSIS could not, with complete justification, use these values for determining a required lethality. However, these results do suggest that a lethality of at least 5-$\log_{10}$ is needed to help ensure an *E. coli* O157:H7 free RTE product.

The derivation for the proposed lethality of *E. coli* O157:H7, in using only a slightly higher probability of no surviving cells compared to that used for deriving the proposed lethalities for *Salmonella,* assumes only a slightly greater public health concern for *E. coli* O157:H7. However, foodborne illness associated with *E. coli* O157:H7 might be significantly more likely than that associated with *Salmonella.* As mentioned above, some researchers now believe that low numbers of *E. coli* O157:H7 cells ingested are sufficient to cause foodborne disease. This belief also is reflected in the recent OPHS draft risk assessment regarding *E. coli* O157:H7 in ground beef (Ref. 1, available for viewing by the public in the FSIS Docket Room). The dose response model used in this report allows the possibility of a 1% probability of illness when a random selected consumer ingests a

single cell; and when, ingesting 10 cells, the probability of illness could be as high as 10%.

Consequently, FSIS may need to require that processors of fermented products containing beef achieve a higher probability of no surviving cells of *E. coli* O157:H7 in treated worst case products. For example, if the proposed lethality were 5.5 $\log_{10}$, the probability of no surviving *E. coli* O157:H7 cells in the hypothetical worst case would be 92.4% instead of 77.8%; if the proposed lethality were 6.0, then the probability of no surviving *E. coli* O157:H7 cells would be 97.5%.

Since the number of sample results from which the worst case was derived is small, there is not a high degree of confidence in the magnitude of the higher levels of *E. coli* O157:H7 that might exist. Further information may require FSIS to adjust the worst case level and thus the required lethality, accordingly. It is important to note, however, that a fermentation process offers an extra degree of safety compared to a heat process, given the same lethality. Unlike ordinary cooked RTE products, the physio-chemical environment within fermented products is hostile to the survival of pathogens. Thus, within an ordinary cooked RTE product, sublethally injured bacteria may be able to resuscitate and then multiply when the temperature rises. Within fermented sausages, most of which are shelf-stable, resuscitation is not possible. FSIS specifically requests comment on the proposed performance standard for the pathogen *E. coli* O157:H7 in fermented products containing beef.

FSIS has not specified the probability of worst case product actually occurring since the worst case was a hypothetical construct based, in part, on a high confidence level of the maximum observed level of microorganisms in a statistically designed national baseline. In addition, FSIS made additional assumptions that FSIS believes to be conservative. All the assumptions regarding the derivation of the worst case are contained in the technical paper (Ref. 3, available in the FSIS Docket Room and at the FSIS web page, *http://www.fsis.usda.gov*). FSIS requests comments regarding these assumptions.

Selection of the Reference Organisms

An explanation of how the Agency established the proposed reference organisms for each category of RTE product, other than thermally processed, commercially sterile products, follows.

Dried Products

The pathogens associated with dried (but not fermented) RTE meat and poultry products are *Salmonella, Listeria monocytogenes, Staphylococcus aureus, E. coli* O157:H7 and *Trichinella spiralis. T. spiralis* is only associated with pork and game products. There are a limited number of studies on the reduction of pathogens during the processing of dried meat and poultry products.

J. A. Harrison and M. A. Harrison surface-inoculated one-third of a beef jerky strip (15 × 1.5 × 1.5 cm.) with 0.1 ml of a 10^8 CFU/ml cell suspension each of *L. monocytogenes, Salmonella typhimurium,* and *E. coli* O157:H7 (Ref. 8, available for viewing by the public in the FSIS Docket Room). Results show that higher log reductions of the three pathogens were obtained when beef jerky was preheated to 160 °F and when curing agents were added. In general, *L. monocytogenes* was more resistant to the treatments. However, after 10 hours of drying at 140 °F, the populations decreased to undetectable levels, resulting in a 5.5 to 6.0 log reduction of the three pathogens. After storage at 25 °C for 8 weeks, none of the pathogens were detected. Subsequent challenge studies on inoculated ground beef jerky, with or without curing agents, heated or unheated, showed that *Salmonella spp.* was in general more resistant than *L. monocytogenes* to the integrated process. However, after 6 hours of drying at 140 °F, *L. monocytogenes* and *Salmonella* had about the same population reduction in preheated samples (Refs. 9 and 10, available for viewing by the public in the FSIS Docket Room).

These studies show that the time and temperature of drying and other variables, such as the use of beef strips or formed ground beef jerky, the addition of curing agents, and preheating before drying, will affect the reduction of pathogens. Lethality of pathogens in dried products is achieved by dehydration to a water activity (a_w) level that inhibits their growth. Preheating or precooking and the addition of curing agents facilitate and add to the lethality factor.

In 1995, a salmonellosis outbreak was associated with commercially produced beef jerky linked to three *Salmonella* serotypes (Ref. 11, available for viewing by the public in the FSIS Docket Room). The CDC Morbidity and Mortality Weekly Report (MMWR) report stated that the New Mexico Department of Health investigated five outbreaks of salmonellosis associated with locally produced beef jerky from 1966 to 1988 and one outbreak of staphylococcal food poisoning associated with beef jerky in 1982. Also according to the MMWR, four other states reported foodborne disease outbreaks associated with the consumption of locally produced or homemade jerky from beef, bear, or cougar meat. The outbreaks were caused by *T. spiralis* and by nitrite poisoning.

The MMWR set out the recommendations of CDC for the prevention of bacterial growth in jerky production. CDC recommended rapid drying at high temperatures (i.e., initial drying temperature >155 °F (68.3 °C) for 4 hours, then >140 °F (60 °C) for an additional 4 hours), and decreased water activity (*i.e.,* $a_w = 0.86$).

E. coli O157:H7 was implicated in one case in homemade venison jerky (Ref. 12, available for viewing by the public in the FSIS Docket Room). *L. monocytogenes* has not been reported to be associated with any foodborne illness attributable to the consumption of commercial jerky products. So, based on the epidemiological data and research studies on jerky, it does not appear that *E. coli* O157:H7 or *Listeria* represent serious hazards in commercially produced jerky. Consequently, FSIS chose *Salmonella* as the proposed reference organism for dried products.

If a process used to produce dried products achieves the proposed reduction in the number of *Salmonella* organisms, the number of *T. spiralis, E. coli* O157:H7, and *S. aureus* should also be reduced to safe levels because these organisms are generally less heat resistant than *Salmonella. L. monocytogenes* is a problem more often because of inadequate sanitation than inadequate processing. Under HACCP and Sanitation SOP requirements, establishments must ensure that their processing controls hazards in addition to *Salmonella,* such as *L. monocytogenes,* if they are reasonably likely to occur.

Salt-Cured Products

The microbiological stability (the lethality during processing) of salt-cured meats, such as salt-cured hams, is dependent on their low water activity, the presence of nitrite, and smoke applied between the salting and drying processes (Ref. 13, available for viewing by the public in the FSIS Docket Room). Lethality of pathogens in the salt-cured products is attained by low temperature salting and drying. Both of these processes reduce the water activity to levels that inhibit the growth of pathogens. The addition of nitrates or nitrites and smoke enhance the inhibitive effect of the process.

There were two salmonellosis outbreaks linked to salt-cured hams: Serrano variety cured ham in Spain and prosciutto ham in Italy (Refs. 14 and 15, available for viewing by the public in the FSIS Docket Room). Low levels of salt and relatively high water levels in some parts of the Serrano variety cured ham were judged to be the most probable cause of *Salmonella* growth and consequent illness. Aside from *Salmonella,* other pathogens of concern in salt-cured products are *S. aureus, L. monocytogenes,* and *T. spiralis.* The Agency is proposing to select *Salmonella* as the reference organism because outbreaks in salt-cured products have been associated with *Salmonella.* As with dried products, if the process used to produce salt-cured products achieves the proposed $6.5-\log_{10}$ or $7.0\text{-}\log_{10}$ reduction in *Salmonella* organisms, the number of these other pathogens should also be reduced to safe levels. In addition, establishments would have to ensure that processing also controls hazards other than *Salmonella,* including other pathogens, that are reasonably likely to occur.

Fermented Products

In late 1994, 23 cases of illness caused by the pathogen *E. coli* O157:H7 were reported in Washington State and northern California (Ref. 16, available for viewing by the public in the FSIS Docket Room). Epidemiological investigations by State and local health agencies associated the outbreak with the consumption of dry cured salami products. In October 1995, the Pennsylvania State Department of Health linked 26 cases of salmonellosis to the consumption of contaminated Lebanon bologna (Ref. 17, available for viewing by the public in the FSIS Docket Room).

After the 1994 outbreak of illnesses caused by *E. coli* O157:H7, FSIS met regularly with scientists from the Agricultural Research Service, representatives of the meat and poultry industry and members of the NACMCF to develop a policy for ensuring the safety of shelf-stable, RTE fermented sausages. This group developed several processing options that would ensure a $5\text{-}\log_{10}$ relative reduction of *E. coli* O157:H7 in fermented sausages. In addition, FSIS approved a processing option developed by the Blue Ribbon Task Force on *E. coli* O157:H7 of the National Cattleman's Beef Association.

As explained previously, the $5\text{-}\log_{10}$ reduction of *E. coli* O157:H7 in dry and semidry fermented sausages was originally based on the notion of adding a $1\text{-}\log_{10}$ safety margin over an assumed worst case of 10^4 CFU/gram in raw product. FSIS offered 4 options to either achieve the recommended $5\text{-}\log_{10}$ relative reduction of *E. coli* O157:H7 or control for its presence in finished product: (1) Apply the cooking treatment in either 9 CFR 318.17 or 318.23, (2) apply a validated integrated heat treatment of equal lethality, (3) test product using ICMSF lot acceptance criteria, or (4) apply a validated $5\text{-}\log_{10}$ relative reduction or process that results in less than 1 *E. coli* O157:H7 per 100 gram of finished product. The Blue Ribbon Task Force of the National Cattlemen's Beef Association specifically addressed Option 2—a validated $5\text{-}\log_{10}$ inactivation treatment. The Task Force focused on the processing parameters of heat and acid sensitivity of the organism. The processes and the resultant level of reduction of *E. coli* O157:H7 were summarized in a table and flow chart. In addition, the report recommended a fifth option, combination of sampling of raw ingredients and a 2-log10 lethality treatment, and described the remaining 3 options.

On August 21, 1995, FSIS wrote to establishments producing fermented sausages and strongly encouraged that they implement one of the validated processing options contained in the document to ensure the processing used achieves at least a $5\text{-}\log_{10}$ relative reduction of *E. coli* O157:H7. While most establishments have implemented one of the processing options, not all have.

As discussed previously, in support of rulemaking, OPHS has sponsored a risk assessment of *E. coli* O157:H7 in ground beef (Ref. 1, available for viewing by the public in the FSIS Docket Room). The draft risk assessment presents data on the prevalence of *E. coli* O157:H7 among breeding herds and feedlots of cattle, and *E. coli* O157:H7 levels on carcass samples. This information shows that levels of *E. coli* O157:H7 in cattle represents a risk to consumers of ground beef, and that, unless there is a significant intervention on the farm or during processing, the risk is likely to remain.

In addition, because of the incidence of foodborne illness linked to *E. coli* O157:H7 in fermented sausages and because these products ordinarily are not fully cooked before being fermented (which creates a situation that may allow the survival of *E. coli* O157:H7), the Agency is proposing to include *E. coli* O157:H7, in addition to *Salmonella,* as a reference organism for fermented RTE meat and poultry products that contain beef.

Under this proposal, processing of fermented products that contain beef would be required to meet lethality performance standards for both *Salmonella* in § 430.2(a) and for *E. coli* O157:H7 in § 430.2(b). As discussed under the ''Lethality'' heading above, for fermented RTE meat and poultry products that contain beef, the Agency is proposing that processing achieve either specific probabilities of remaining organisms in 100 grams of finished product, or a $5.0\text{-}\log_{10}$ relative reduction of *E. coli* O157:H7 throughout the product, which would achieve those probabilities in a hypothetical, worst case raw product. FSIS is not proposing this performance standard for fermented meat and poultry products that do not contain beef.

The Agency tests fermented sausage products for *Salmonella, L. monocytogenes , E. coli* O157:H7, and staphylococcal enterotoxin. Isolation or detection of any of these pathogens and enterotoxin results in product recall and destruction of product. With the exception of *L. monocytogenes,* these pathogens and staphylococcal enterotoxin have been linked to foodborne illness associated with fermented sausage products. With regard to *S. aureus,* the production of a heat stable enterotoxin (staphylococcal enterotoxin) after it has achieved a density of at least 10^5 CFU/g rather than the bacterium itself is responsible for foodborne illness. Growth of *S. aureus* is inhibited by the competitive growth of lactic acid bacteria, such as lactobacilli and pediococci, which are often used in fermented sausage products (Refs. 18 and 19, available for viewing by the public in the FSIS Docket Room).

A suboptimally active fermentation culture or an initial large number of *S. aureus,* as has occurred when contaminated starter culture is used, may result in the growth of *S. aureus* and the production of enterotoxin. However, since 1980, the industry has implemented fermentation controls, and no repeat of the previous type outbreaks has occurred. Therefore, FSIS is not proposing *S. aureus* as a reference organism for these products.

L. monocytogenes is the most frequently isolated pathogen of those included in the FSIS monitoring program for fermented sausages. Despite its prevalence in fermented sausage products, no foodborne illnesses have been linked to *L. monocytogenes* in fermented sausages. Thus, the Agency is not proposing that *L. monocytogenes* be a reference organism for fermented sausages; however, if the Agency were to find *L. monocytogenes* in the finished

product, the product would be adulterated and subject to recall.

In a Lebanon bologna process, a 3- to 4-$\log_{10}$ reduction of *Salmonella dublin* and a reduction of *Salmonella typhimurium* to undetectable levels was observed by the end of fermentation if starter culture was used (Ref. 20, available for viewing by the public in the FSIS Docket Room). Similarly, Bacus noted that contamination of fermented meat products with *Salmonella* most likely results from an inadequate lactic acid production or a highly contaminated raw product (Ref. 21, available for viewing by the public in the FSIS Docket Room).

Various studies have shown that fermentation and drying resulted in about a 2-$\log_{10}$ reduction of *E. coli* O157:H7 (Refs. 22 through 24, available for viewing by the public in the FSIS Docket Room). In one study, Glass, et al., reported that *E. coli* O157:H7 decreased by about 2-$\log_{10}$ CFU/g after fermentation, drying, and storage at 4 °C for 6 weeks following the end of an 18–21 day drying cycle for a fermented sausage formulation. In another, however, Faith et al., observed a 5- to 6-$\log_{10}$ reduction of *E. coli* O157:H7 in pepperoni sticks following fermentation, drying, and 2 weeks of storage at an ambient (unrefrigerated) temperature of 21 °C.

In one of the few studies that compared the combined effect of fermentation and drying on both *Salmonella* and *E. coli* O157:H7, Ellajosyula, *et al.,* observed that the reduction of *Salmonella* and *E. coli* O157:H7 in Lebanon bologna was less than 2- $\log_{10}$ after fermentation to pH 4.7 (Ref. 22, available for viewing by the public in the FSIS Docket Room). In this study, *Salmonella* was equally or significantly ($P<0.01$) less resistant than *E. coli* O157:H7 to various combinations of pH levels achieved after fermentation and subsequent heating at 110 °F to 120 °F. Fermentation to pH 5.2 or 4.7 followed by heating at 110 °F to 120 °F for specified times (e.g., 110 °F for 20 hours or 120 °F for 3 hours) resulted in a greater than 7- $\log_{10}$ reduction of both *Salmonella* and *E. coli* O157:H7. This study shows that a final heating step may be necessary to achieve the proposed reduction of both *Salmonella* and *E. coli* O157:H7 in fermented sausage products.

Salmonella and *E. coli* O157:H7 have been the cause of foodborne illnesses linked to fermented sausage products. Although, as noted above, *Salmonella* may be less resistant than *E. coli* O157:H7 to the processes for the different fermented meat products, it has not been demonstrated that processes resulting in a 5.0-$\log_{10}$ reduction of *E. coli* O157:H7 will result in a 6.5- $\log_{10}$ or 7.0- $\log_{10}$ reduction of *Salmonella* in meat and poultry products, respectively. Conversely, processes resulting in a 6.5- or 7.0- $\log_{10}$ reduction of *Salmonella* have not been shown to produce a 5.0-$\log_{10}$ reduction of *E. coli* O157:H7. Therefore, a process for fermented RTE products that contain beef must be validated for both pathogens.

Cooked and Otherwise Processed Whole or Comminuted Meat Products

As stated above, FSIS already has made final lethality performance standards for certain RTE meat products, including RTE cooked beef, corned beef, and roast beef. In this document, FSIS is proposing to extend these performance standards to all other cooked and otherwise processed (e.g., cured) meat products. Under this proposal, establishments would be required to employ processing validated to achieve specific probabilities (Table 1) that only small numbers of *Salmonella* organisms could remain in finished cooked or otherwise processed, whole and comminuted, RTE meat products. Alternatively, an establishment could use a process validated to achieve a 6.5-$\log_{10}$ reduction of *Salmonella* throughout a finished RTE meat product.

As with cooked beef, corned beef, and roast beef, the primary pathogenic microorganism of concern in these other RTE meat products has been *Salmonella.* FSIS tentatively finds that the destruction of *Salmonella* in these products will result in the destruction of most other pathogens. FSIS is not proposing to require that any particular means be used to meet the lethality standard. Cooking, for example, would not need to be the sole means by which lethality would be achieved. Other applicable treatments, such as curing or other controls, could be used in combination with cooking to achieve the required lethality.

Meat Patties

In the proposal preceding the January 1999 final rule that established performance standards for certain RTE meat and poultry products, FSIS identified *Salmonella* as the target pathogenic microorganism in fully-cooked, uncured meat patties and proposed a 5-$\log_{10}$ reduction in *Salmonella* as the lethality performance standard. FSIS made a tentative finding that a 5-$\log_{10}$ reduction in *Salmonella* in cooked, uncured meat patties would effectively eliminate most other bacterial pathogens of concern. Notably, compliance with the time/temperature requirements already contained in the regulations effectively achieved a 5-$\log_{10}$ reduction in *Salmonella.*

However, FSIS did not make final the lethality performance standards proposed for RTE comminuted meat patty products. In the course of developing the final regulation, FSIS determined that a higher lethality was likely necessary to produce RTE, uncured meat patties that would pose no health risk to consumers. The Agency could find no conclusive information demonstrating that the distributions of bacteria on ground and whole product produced under normal manufacturing conditions would present comparatively higher or lower risks to consumers. Furthermore, most, if not all, RTE meat and poultry products will be manufactured from the same supply of raw product examined in the FSIS national baseline surveys. So, using performance standards that would render any hypothetical, worst case raw product safe should be applicable to all categories of RTE meat and poultry products.

Consequently, FSIS is proposing to require that establishments achieve a 6.5-$\log_{10}$ reduction of *Salmonella* in all RTE meat products, including RTE meat patties. FSIS believes that many establishments are achieving this higher lethality already, either through a cooking step or a combination of treatments. Furthermore, new and innovative processing technologies, including irradiation of raw product, should allow establishments to achieve this lethality without significantly altering the quality of their products through overcooking.

Cooked and Otherwise Processed Whole or Comminuted Poultry Products

Again, FSIS recently made final lethality performance standards for all fully cooked, RTE poultry products, such as poultry rolls. In this document, FSIS is proposing to extend these performance standards to all other cooked and otherwise processed (e.g., cured) RTE poultry products. Under this proposal, establishments would be required to employ processing validated to achieve specific probabilities that only small numbers of *Salmonella* organisms could remain in finished cooked or otherwise processed, whole and comminuted, RTE products that contain any amount of poultry. Alternatively, an establishment could use a process validated to achieve a 7-$\log_{10}$ reduction of *Salmonella* throughout a finished product.

The primary pathogenic microorganism of concern in these other

RTE poultry products has been *Salmonella.* FSIS tentatively finds that the destruction of *Salmonella* in these products will result in the destruction of most other pathogens. For example, *Campylobacter jejuni* was not selected as a reference organism in RTE poultry product, even though it is present at high levels in poultry, because it is generally recognized as being very sensitive to heat. As with the analogous meat products, FSIS is not proposing to require that any particular means be used to meet the lethality standard. For example, various treatments, such as curing or other controls, can be used in combination with cooking to achieve the required lethality.

B. Stabilization

In addition to lethality standards, FSIS is proposing that processing used to produce all RTE products, other than thermally processed, commercially sterile products, and processing used to produce partially heat-treated products, meet stabilization performance standards. The proposed stabilization standards require that establishments control their production processes to prevent the multiplication of spore-forming microorganisms. Stabilization is typically achieved through cooling a product after cooking. Specifically, the Agency is proposing to require that establishments producing these products ensure that there is no multiplication of toxigenic microorganisms, such as *Clostridium botulinum,* that potentially would create harmful toxins in the product, and that there is no more than a 1-$\log_{10}$ multiplication of *Clostridium perfringens* within the product.

FSIS is proposing this performance standard because the means applied to products to bring about the lethality of certain microorganisms in RTE products, particularly heat treatment, can create a model environment for the multiplication of spore-forming bacteria. The processing for many RTE products includes a heat treatment. Spores of *C. botulinum, C. perfringens,* and other spore-forming bacteria can survive cooking and, in fact, can thrive in the warm product following cooking after competitive microorganisms, such as *Salmonella* or lactic acid bacteria, have been eliminated. Anaerobic, non-refrigerated conditions also facilitate multiplication and growth of these organisms.

Similarly, during processing, partially-heat treated meat and poultry products are partially cooked and then cooled, which creates a model environment for the growth of *C. perfringens, C. botulinum,* and other spore-forming, toxigenic bacteria. Cooking by the consumer, retailer, or other end-user may not eliminate these bacteria or the toxins that they create in these products. Therefore, it is important that bacterial growth be controlled in these products to the extent possible before they reach the end consumer.

The stabilization performance standards are identical to the standards made final in the January 1999 performance standard rulemaking, cited above, for RTE products and partially-cooked poultry and meat patties. The purpose for imposing the no (zero) multiplication of *C. botulinum* standard was to ensure that harmful toxins would not be created in the product during cooling. Toxins are created only when there is multiplication of *C. botulinum,* or other spore-forming, toxigenic bacteria. When spores germinate and reach the outgrowth stage, even slight temperature abuse to the product can result in cell multiplication and, if there are sufficient numbers of cells, subsequent toxin formation. Thus, logically, ensuring no growth of these bacteria would provide the greatest amount of safety. Microscopic examination of cells can be used to determine whether cells have germinated and reached outgrowth stage.

The Agency requests comments on whether the *C. botulinum* standard should be no (zero) multiplication as proposed. The Agency also requests any data to support a tolerance in place of the proposed *C. botulinum* standard. The primary purpose for the zero growth standard is to ensure that harmful toxins will not be created in cooked product during cooling. If there were cell multiplication during cooling and sufficient numbers of cells, there could be subsequent toxin formation. Thus, ensuring no growth *C. botulinum* provides for the safety of the product with the greatest amount of confidence.

It is possible that there can be a small amount of *C. botulinum* growth within the time of a 1-$\log_{10}$ relative growth of *C. perfringens.* If the relative growth of *C. botulinum* were greater than zero, but less than some small amount, the affected product could possibly be considered safe for consumption, provided it is also assumed that the initial levels of *C. botulinum* were not high. This assumption would be a reasonable one, since generally the levels of *C. botulinum* in raw meat are low. However, in this situation, the consequence of the low-level *C. botulinum* assumption being incorrect and of the possible toxin production would be severe.

It is possible that compliance with the proposed zero growth standard for *C. botulinum* could impose a significant burden on industry. Because there may be growth of *C. botulinum* during a 1-$\log_{10}$ relative growth of *C. perfringens,* compliance with the proposed zero growth standard for *C. botulinum* could effectively require establishments to meet a more restrictive standard than that for *C. perfringens.* Further, demonstrating ''no multiplication'' by experiments (microscopic examination of cells to determine whether cells have germinated and reached outgrowth stage) could be expensive. Also, to the Agency's knowledge, there are not extensive data on which to build mathematical models for predicting the time before cell germination or outgrowth and using data from growth curves to develop predictive models for cell population growth is not propitious for demonstrating no multiplication. Usually with predictive growth models, it is very difficult or impossible to show a no occurrence event (zero-growth) with high probability. Consequently, FSIS requests comment on this issue, and data to support a possible relative growth tolerance in place of the zero growth proposed *C. botulinum* standard.

The proposed stabilization performance standard provides that any more than 1-$\log_{10}$ multiplication of *C. perfringens* will adulterate the product for the following reasons: Viable counts of 10^5 or greater of *C. perfringens*/gram in finished product have been listed by the CDC as one criteria for incriminating *C. perfringens* as the causative agent of foodborne illness (Ref. 25, available for viewing by the public in the FSIS Docket Room), although foods responsible for *C. perfringens* outbreaks usually contain at least 10^6 vegetative *C. perfringens* cells per gram (Refs. 26 and 27, available for viewing by the public in the FSIS Docket Room). In the FSIS microbiological product surveys, some samples were found to contain more than 10^4, but less than 10^5, *C. perfringens*/gram. It is a conservative assumption with respect to public health that the great majority of *C. perfringens* in the raw product are spores. Heating activates the spores that, during the cooling, become vegetative cells that can multiply to hazardous levels. Given that there can be more than 10^4 *C. perfringens* (spores) per gram on raw product, it is possible that there could be as many as 10^4 vegetative *C. perfringens*/gram of these surviving, after cooking, in the product. Therefore, the Agency, using the aforementioned CDC criteria as an upper limit that should not be exceeded, has tentatively

determined that a limit of no more than 1 $\log_{10}$ growth of *C. perfringens* is appropriate to ensure that there would be no more than 10^5 *C. perfringens* per gram on the finished product after cooling.

An academic researcher recently suggested to the Agency that the stabilization performance standard for *C. perfringens* should apply only to the surface of intact, whole muscle, RTE products. This researcher stated that there is no data indicating that the interior of whole muscle products would ever contain *C. perfringens*. FSIS requests comment on this issue, as well as any relevant research data.

V. Listeria monocytogenes

L. monocytogenes grows at low oxygen conditions and refrigeration temperatures, and survives for long periods of time in the environment, on foods, in processing plants, and in household refrigerators. Although frequently present in raw foods of both plant and animal origin, it also can be present in cooked foods due to post-processing contamination. Consumption of food contaminated with *L. monocytogenes* can cause listeriosis, an uncommon but potentially fatal disease in newborns, the elderly, and persons with weakened immune systems, such as those with chronic disease, HIV infection, or persons taking chemotherapy for cancer. Listeriosis also is a major concern in pregnant women. Even though symptoms may be relatively mild in the mother, the illness can be transmitted to the fetus, causing serious illness or fetal death.

Each year, according to the FDA–FSIS draft risk assessment on *L. monocytogenes* (Ref. 28, available for viewing by the public in the FSIS Docket Room), the bacteria cause an estimated 2,493 cases of listeriosis. Of these, 2,298 persons are hospitalized and 499 persons die. The case-fatality rate is high across the whole population—20 deaths per 100 cases of illness. Epidemiologic surveillance data indicates that the case-fatality rate varies by age, with a higher case-fatality rate among newborns (<1 year) and the elderly (>60 years). For a full discussion on case-fatality rate, refer to the ''Baseline Number of Listeriosis Cases and Deaths and the Potential Benefits from the Proposed Rule'' section in Appendix 1.

Since 1987, FSIS has conducted a microbiological testing program in which the Agency randomly samples, in-plant, RTE meat and poultry products produced in federally inspected establishments for *L. monocytogenes*, including cooked and fermented sausages, cooked corned beef, sliced ham and luncheon meats, beef jerky, cooked uncured poultry, and salads and spreads. FSIS treats RTE products in which *L. monocytogenes* is found as adulterated under the FMIA or the PPIA (21 U.S.C. 453(g) or 601(m)). This testing of approximately 7,000 RTE product samples per year for *L. monocytogenes* is an indicator of possible public health problems, but FSIS believes that more discriminating approaches are in need of development. (A comprehensive presentation on the FSIS testing program, entitled ''FSIS Ready-to-Eat (RTE) Sampling in Transition,'' is available from the FSIS Docket Room.)

During the late 1980's, *L. monocytogenes* emerged as a problem in deli meats and other processed food products. FSIS and the Food and Drug Administration (FDA) worked with processing plants to improve their procedures and emphasized the ''zero'' tolerance (no detectable level of viable pathogens permitted) for the pathogen in RTE products. Between 1989 and 1993, the rate of illness from *L. monocytogenes* declined 44 percent. This reduced incidence of foodborne listeriosis remained level until recently.

In the fall of 1998, state health departments and the CDC began investigating an increased number of reported cases of illness due to *L. monocytogenes*. CDC and state and local health departments identified the vehicle of transmission as hotdogs and possibly deli meats produced by one manufacturer under many brand names. On December 22, 1998, in response to reports of illness, the manufacturer voluntarily recalled specific production lots of these products that might be contaminated. Subsequently, CDC and FSIS investigators isolated the outbreak strain of *L. monocytogenes* from an opened and a previously unopened package of hotdogs manufactured by one plant. In addition, a different strain of the pathogen was isolated from unopened packages of deli meats produced at the same plant. CDC has since reported 101 illnesses, 15 adult deaths, and 6 stillbirths or miscarriages associated with this outbreak.

With this outbreak in mind, on May 7, 1999, the FDA, in consultation with FSIS, announced plans to conduct a risk assessment to determine the prevalence and extent of exposure of consumers to foodborne *L. monocytogenes* and to assess the resulting public health impact of such exposure (64 FR 24661). FDA and FSIS published this draft risk assessment for comment on January 19, 2001 (Ref. 28, available for viewing by the public in the FSIS Docket Room). Significantly, it identifies certain RTE meat and poultry products, among the food products assessed, as posing a relatively high health risk of listeriosis to consumers because of potential RTE product contamination by *L. monocytogenes*.

In this document, FSIS is proposing regulatory requirements and considering other options to address the relatively high risk ranking of these RTE meat and poultry products. Significantly, the draft risk assessment was designed to estimate the predicted relative risk of serious illness and death that may be associated with consumption of different types of ready-to-eat foods. The draft risk assessment document, unlike more complete risk assessments, did not attempt to account for the level or sources of contamination of ready-to-eat meat and poultry products in a farm-to-table approach such as during processing in Federally inspected facilities. Rather, the draft risk assessment accounted for the retail foodborne exposure to human listeriosis (i.e., after the ready-to-eat product is out of the control of the Federal establishment). The data included in the draft risk assessment were gleaned from both international and domestic sources, with FSIS providing a substantial amount of data from its various microbiological programs associated with Federally inspected meat and poultry. The draft risk assessment was designed to address data only associated with listeriosis, providing a distinction between foodborne illness associated with mild, flu-like symptoms (referred to as listerial gastroenteritis) and severe and life-threatening outcomes (i.e., listeriosis). For this reason, some Federally inspected meat and poultry products were not addressed in the draft risk assessment (e.g., canned meat and poultry and partially- and fully-cooked meat patties). Except for the canned products and the meat patties, FSIS believes that the risk assessment addresses the remaining meat and poultry products contained in this proposed rule (i.e., frankfurters, dry/semi-dry fermented sausages, deli meats, and paté and meat spreads).

A. Proposed Requirements for Controlling L. monocytogenes

In the risk assessment, FDA and FSIS note that although pasteurization or cooking by an establishment will kill *L. monocytogenes*, there is risk of recontamination of RTE foods during processing, after the lethality is applied (Ref. 28, (Interpretive Summary, p. 24; Exposure Assessment, p. 24), available for viewing by the public in the FSIS

Docket Room). Significantly, FDA, FSIS and other authors point out, that deli meats in particular are most likely to be recontaminated by *L. monocytogenes* after cooking, during processing such as slicing (Ref. 28 (p. 167); Ref. 32; Ref. 33; all available in the FSIS Docket Room), although no data were available to distinguish between the risks of slicing product in a retail environment rather than an official establishment.[3]

FSIS is proposing to require that all establishments that produce RTE meat and poultry products conduct environmental testing of food-contact surfaces for *Listeria spp.*, after lethality treatment and before final product packaging, unless they have identified *L. monocytogenes* as a hazard reasonably likely to occur and so have incorporated into their HACCP systems one or more controls validated to eliminate it from their products. This testing will verify that an establishment's Sanitation Standard Operating Procedures (Sanitation SOPs) are preventing direct product contamination by *L. monocytogenes* after the lethality treatment, thus addressing the risk assessment assertion that RTE foods often are recontaminated by *L. monocytogenes* after lethality is applied.

After an establishment finds one of its food contact surfaces to be positive for *Listeria spp.*, it must take corrective actions defined in its Sanitation SOP that must include product testing, as well as any other activities that it deems necessary to determine and demonstrate that the affected lot or lots of product are not adulterated with *L. monocytogenes*. The establishment must have in place procedures: to determine which lots of product might be affected; to hold, sample, and test that product; and to dispose of affected product appropriately.

Establishments that have identified *L. monocytogenes* as a hazard reasonably likely to occur in their HACCP plans and that have consequently established CCPs for *L. monocytogenes* would be exempt from this mandatory testing requirement. For example, establishments that produce thermally processed, commercially sterile, hermetically-sealed (canned) products should be relatively unaffected by this proposed requirement. Neither should many other establishments that produce meat and poultry products that receive lethality treatment in their final packaging, such as beef cooked in an impervious bag. In most cases, these and similar establishments would need only to modify their HACCP plans to reflect that *L. monocytogenes* is likely to occur at some point during their processing, but their existing CCPs for lethality would eliminate the pathogen.

FSIS believes that *L. monocytogenes* contamination is reasonably likely to occur in the production of all RTE meat and poultry products. On May 26, 1999, FSIS published in the **Federal Register** a Notice advising manufacturers of RTE meat and poultry products of the need to reassess their HACCP plans to ensure that the plans are, in fact, adequately addressing *L. monocytogenes* (64 FR 28351). If this reassessment revealed that *L. monocytogenes* was a hazard reasonably likely to occur in an establishment's production process, the Notice stated that the establishment must address the hazard in its HACCP plan.

FSIS acknowledges, however, that there may be certain processing environments in which *L. monocytogenes* is not a hazard reasonably likely to occur. In such environments, verification through testing that the establishment's Sanitation SOP is controlling *Listeria spp.* would be necessary, at a minimum.

Notably, Tompkin, et al., have recommended plant-wide environmental testing that

> * * * should focus on a non-pathogenic indicator such as *Listeria spp.* or *Listeria*-like organisms * * *, because these organisms will be found more frequently in the environment than *L. monocytogenes* and because test results are available more quickly.
>
> (Ref. 29, available for viewing by the public in the FSIS Docket Room)

FSIS agrees, although the Agency is proposing to require only the testing of food contact surfaces. Were an establishment to find *Listeria spp.* on a food contact surface, that finding would be indicative of a sanitation problem that could cause product adulteration, even though the contaminant on the surface may not be *L. monocytogenes*.

FSIS is proposing to require that establishments without HACCP controls for *L. monocytogenes* test food contact surfaces for *Listeria spp.* at one of the following frequencies, depending on establishment size:

- If the plant is large, at least four tests, per line, per month;
- If the plant is small, at least two tests, per line, per month;
- If the plant is very small, at least one test, per line, per month;

FSIS is proposing to employ the same Small Business Administration (SBA) size standards that it used to determine the implementation dates for its HACCP/Pathogen reduction final rule. Large establishments would be defined as all establishments with 500 or more employees. Small establishments would be defined as all establishments with 10 or more employees but fewer than 500. Very small establishments would be defined as all establishments with fewer than 10 employees or annual sales of less than $2.5 million.

These frequencies ensure a very minimal amount of testing and, because they are progressive, mitigate some of the economic impact on small businesses. FSIS has not been able to correlate risk of product contamination with production volume or establishment size. However, assuming that large establishments produce a greater volume of product than do small establishments, and that a large insanitary establishment would be more likely to contaminate more product and thus pose more risk to the public health, FSIS is proposing to require large plants to test more often. Because these frequencies are not based on research but represent what the Agency believes to be minimal levels, FSIS requests comment on these proposed testing frequencies, their efficacy in preventing product adulteration, and the costs to industry. FSIS also specifically solicits information the current state of knowledge about the relationship between *Listeria spp.* on food contact surfaces and *L. monocytogenes* on the product; the appropriate timing of the test (pre-start-up or post-start up), seasonality and other risk based considerations that might be important in creating effective testing protocols; and, the testing methodologies that are currently available and the current practice and use of the tests by industry or others Agencies. FSIS will use the information to develop testing frequencies and methodologies that protect the public health, while providing flexibility to establishments. FSIS plans to hold one or more technical conferences during the comment period for this proposed rule, at which these testing issues and other can be discussed. FSIS plans to provide for discussion of the latest testing

[3] Although pate and meat spreads also are identified in the draft FDA/FSIS risk assessment as having high predicted relative risk of causing listeriosis on a per serving basis, much of the reported foodborne outbreaks are associated with foreign populations. However, FSIS is aware of one foodborne outbreak in the U. S. involving pate produced in a federally inspected facility in 1999. In this outbreak, pate was prepared by cooking the product in open containers and then over-wrapped with film. Product was then distributed to multiple states and sold in gourmet shops. The pate was implicated as the food vehicle for *L. monocytogenes*. *L. monocytogenes* was cultured from an unopened package of pate at retail. FSIS was not able to determine whether *L. monocytogenes* was present in the unopened package as a consequence of underprocessing (i.e., inadequate lethality) or post-lethality contamination.

methodologies, including those used by other Federal Agencies and industry, as well as an ongoing ARS study on the testing of intact RTE product for *L. monocytogenes*.

FSIS is proposing to require that establishments take certain actions after food contact surfaces test positive for *Listeria spp.* After an establishment finds one of its food contact surfaces to be positive for *Listeria spp.*, it must take the corrective actions defined in its Sanitation SOP. According to § 416.15(a), Sanitation SOP corrective actions may include ''procedures to ensure appropriate disposition of product(s) that may be contaminated, restore sanitary conditions, and prevent the recurrence of direct contamination or adulteration of product(s).''

The presence of *Listeria spp.* may be indicative of serious sanitation problems, especially if positive findings recur. Further, *Listeria spp.* positives on food contact surfaces indicate a potential for product adulteration by *L. monocytogenes.* Therefore, an establishment's corrective actions following a positive must include product testing and any other activities that it deems necessary to determine and demonstrate that the affected lot or lots of product are not adulterated with *L. monocytogenes.* The establishment must have in place procedures: to determine which lots of product might be affected; to hold, sample, and test that product; and to dispose of affected product appropriately. FSIS acknowledges that some establishments would have to modify their Sanitation SOP corrective actions to include these elements.

FSIS requests comments on the proposed testing provisions and any data that would support the approach proposed. FSIS requests comments concerning whether *Listeria* positive test results on different food contact surfaces should be treated differently (e.g., positives on food contact surfaces that have undergone listericidal treatment versus other food contact surfaces). FSIS also requests comments on whether it should establish more specific requirements regarding product sampling and testing following a finding of *Listeria spp.* on a food contact surface. And, FSIS request comment on whether it should allow establishments that find *Listeria spp.* on a food contact surface to determine if the positive sample is in fact *L. monocytogenes* before having to initiate product testing.

If a sampled lot is found to be positive for *L. monocytogenes,* and is already in commerce, it will be subject to recall. Further, if product is found to be positive for *L. monocytogenes,* the establishment likely will need to establish controls within its HACCP plan for *L. monocytogenes.* Also, reoccurring positives for non-pathogenic *Listeria spp.* may indicate that the establishment has a serious sanitation problem, even if *L. monocytogenes* is never found. FSIS enforcement action will vary depending on the establishment's efforts to correct its sanitation and processing problems and its disposition of affected product. FSIS acknowledges that establishments that develop one or more CCPs to control *L. monocytogenes* would not necessarily be testing for *Listeria spp.* to verify the efficacy of their Sanitation SOPs and requests comments on this issue.

The two provisions for *Listeria* control contained in this proposed rule (i.e., Sanitation SOPs and HACCP) require specific daily action regarding controls to ensure product is not adulterated. FSIS does not, at this time, consider control programs outside of Sanitation SOPs and HACCP to be sufficient for controlling hazards associated with post-lethality contamination with *Listeria* in the manufacturing of RTE meat and poultry products microbiological results and documentation of corrective and preventive actions generally are not provided to FSIS. FSIS has received a petition from a group of industry organizations regarding the issue of prerequisite programs. FSIS will address this issue separately from this proposed rule. In addition, FSIS will be further addressing this issue as part of its response to an Office of Inspector General report on HACCP implementation (Ref. 35, available in the FSIS Docket Room and at the FSIS web page, *http://www.fsis.usda.gov*).

With any final action FSIS will publish guidance to establishments regarding testing frequencies and methodologies and appropriate corrective actions following food-contact surface positives. FSIS also will publish guidance regarding available listericidal interventions establishments can implement as CCPs. FSIS expects to make draft guidance documents available after publication of this proposed rule and as information becomes available in order to provide establishments with appropriate guidance regarding sampling and testing to verify sanitation procedures. FSIS will consider comments on this draft guidance in developing any final regulations. These draft guidance materials will be clearly identified as guidance materials and not as regulatory requirements. FSIS expects to post these guidance materials to the FSIS web page *(http://www.fsis.usda.gov)* and will make the documents available free of charge via the Constituent Update (see section XIV Additional Public Notification) and the FSIS Docket Room.

Eventually, FDA and FSIS may allow establishments to treat RTE products with ionizing radiation. If applied within a HACCP system, irradiation could eliminate *L. monocytogenes* from a RTE product. FSIS also is aware that industry is developing edible, antimicrobial coatings that could be applied to RTE meat and poultry after cooking or other lethality treatments. However, FDA has not yet approved any of these coatings for meat and poultry. FSIS also will make available its directives to inspection personnel that will explain how to verify whether an establishment has implemented a testing regime sufficient to verify the efficacy of Sanitation SOPs in preventing direct product contamination by *L. monocytogenes* prior to the effective date of any final regulation.

Finally, FSIS notes that on January 13, 2000, it received a petition from the Center for Science in the Public Interest (CSPI) requesting that FSIS require all establishments that produce RTE meat and poultry products to conduct environmental testing for *Listeria spp.* and product testing for *L. monocytogenes.* FSIS will respond to this petition completely along with other public comments submitted in response to this proposal. CSPI also requested that FSIS require RTE products produced by establishments without CCPs for *L. monocytogenes* to bear warning labels. FSIS discusses this request in the following section and also will respond more completely in any final action that stems from this proposal.

B. Shelf-Life and Labeling

In the petition discussed above, CSPI also requested that FSIS require establishments that have not incorporated microbial testing for *L. monocytogenes* into their HACCP plans to label their products so as to alert ''consumers that the products may be contaminated and should not be eaten by at-risk consumers without reheating.'' FSIS will respond to this petition fully in any final action stemming from this proposed rule.

FSIS considered, but did not propose in this document, the option of requiring that the labeling of certain RTE meat and poultry products state the product's shelf-life, and that shelf-life be based on product safety (''use-by'' date labeling). If after processing, a RTE product that could support growth of *L. monocytogenes* were to be

recontaminated by even a single cell of the pathogen, that cell could multiply during storage at refrigeration temperatures to levels that could pose a risk of illness to vulnerable individuals (e.g., pregnant women, the elderly, or the immunocompromised). ''Use-by'' date labeling may provide further reductions in risk of listeriosis if the labeling increases the likelihood that high-risk RTE products would be consumed before very low levels of *L. monocytogenes,* undetectable at the establishment, could grow to dangerous levels.

FSIS is not proposing to require ''use-by'' dates on the labels of any RTE products at this time because further information regarding the potential effects of use-by date labeling is needed. For instance, there is sparse information on current consumer understanding of use-by date labeling, the likelihood that consumer practices will change, and on the effect of changes in consumer behavior on listeriosis cases. Similarly, FSIS currently does not possess all the data necessary to assess the reduction in risk that will occur from this change. Also, FSIS does not have information concerning how use-by date labeling would affect the production and shipment patterns of labeled ready-to-eat meat and poultry products and the structure of the industry. FSIS requests comments on all of these issues and on the feasibility of requiring ''use-by'' date labeling on RTE meat and poultry products. Significantly, FDA and FSIS will present ''use-by'' date labeling issues to NACMCF for their review. FSIS has conducted a more thorough analysis of use-by date labeling in Appendix 1, Compliance with Executive Order 12866, under the ''Alternatives'' section.

Related to ''use-by'' date labeling is the issue of consumer preparation of hotdogs and similar RTE foods. In the draft risk assessment, FSIS and FDA state that ''the factor that has the greatest effect on the predicted health impact of frankfurters is the extent of post-retail reheating by the consumer'' (Ref. 28 (p. 161); Ref. 33; Ref 34; all available in the FSIS Docket Room). Obviously, testing for *L. monocytogenes* in the establishment will not directly affect consumer preparation of frankfurters or other RTE foods. However, if in-plant testing verifies that establishments are effectively preventing the contamination of frankfurters and other RTE products by *L. monocytogenes,* consumer preparation or handling of these RTE products will no longer be so inappropriately crucial to ensuring their safety. Furthermore, once FSIS is more confident that establishments are adequately addressing the safety of their RTE products, especially for frankfurters and deli meats, throughout the shelf-life of their products, FSIS will consider modifying its consumer message to vulnerable populations and remove the current recommendation for these populations to either not consume these RTE products or to fully re-cook these products before consuming them.

Finally, as discussed below, FSIS is proposing that the labeling of RTE products state that the product requires refrigeration after opening, as applicable. Current regulations require that labels of perishable products include such instructions, but the Agency is proposing to expand the required label instructions to include RTE shelf-stable products that require refrigeration after opening. FSIS also considered proposing to change the ''keep refrigerated'' and the ''refrigerate after opening'' statements (see proposed in §§ 317.2(k) and 381.125(a)) to reflect the guidance developed by FDA on February 24, 1997 (62 FR 8248). In the guidance, these statements were modified to read ''Important Must Be Kept Refrigerated to Maintain Safety'' or ''Important Must Be Refrigerated After Opening To Maintain Safety.'' FDA provided this guidance in response to the recommendations from the NACMCF, the National Food Processors Association, the Association of Food and Drug Officials, and the CDC regarding the labeling of foods that need refrigeration. FDA stated in this policy document that ''[t]his guidance, which represents FDA's policy on adequate safe handling instructions for food, should reduce the likelihood of temperature abuse of certain foods by consumers, and it is intended to reduce the potential for foodborne illness and death.'' FSIS is not proposing to require these provisions because further information regarding the potential effects of this labeling is needed. FSIS requests comment on the statements and their appropriateness for RTE meat and poultry products which are not shelf stable.

VI. Thermally-Processed, Commercially Sterile Products

Thermally-processed, commercially sterile meat and poultry products generally have a water activity above 0.85 and have received a thermal process either before or after being packed in a hermetically sealed container. They are typically canned, although other types of packaging can be used. The thermal process renders the product shelf-stable and commercially sterile, that is, free of microorganisms capable of growing in the product in nonrefrigerated conditions (temperatures over 50 °F or 10 °C), under which the product will be held during distribution and storage, until consumed.

Sections 318.300 to 318.311 and 381.300 to 381.311 of the regulations prescribe the exact means by which official establishments must produce thermally processed, commercially sterile meat and poultry products. These regulations include detailed requirements regarding containers and container closures, equipment specifications and operations, measurements and instrument calibration, recordkeeping and record review, corrective actions in the case of processing deviations, finished product inspection, personnel training, and product recalls. They also require that official establishments implement process schedules validated to render treated meat and poultry commercially sterile and shelf-stable. These process schedules must be developed or validated by processing authorities, persons or organizations with expert knowledge of thermal processing requirements for foods packaged in hermetically sealed containers.

Processors that produce thermally processed, commercially sterile meat and poultry products also must meet all other regulations applicable to meat and poultry establishments, such as sanitation and HACCP requirements. Significantly, however, under § 417.2(b)(3), FSIS exempts producers of thermally processed, commercially sterile products from addressing in their HACCP plans ''food safety hazards associated with microbiological contamination.'' FSIS granted this exemption in response to comment on the proposal to require HACCP systems:

> FSIS agrees that the microbial hazards associated with canned meat and poultry products are eliminated by complying with the regulations in 9 CFR Secs. 318.300–311 and 381.300–311. These regulations are based on HACCP concepts and provide for the analysis of thermal processing systems and controls to exclude microbial hazards. Accordingly, the final rule provides that HACCP plans for thermally processed/commercially sterile products do not have to address the food safety hazards associated with microbiological contamination if the product is produced in accordance with the canning regulations. However, because the current regulations exclusively address microbial hazards, processors of canned meat, meat food and poultry products must develop and implement HACCP plans to address chemical and physical hazards that are reasonably likely to occur.

(61 FR 38824)

The regulations governing the processing of thermally processed, commercially sterile meat and poultry products are, in a sense, a prescribed HACCP system that official establishments must implement along with controls to address other hazards not addressed in those regulations. Maintaining this prescriptive regulatory approach to a single category of meat and poultry products, however, is inconsistent with FSIS's other regulatory initiatives intended to grant industry maximum flexibility to innovate in processing, while clarifying industry's responsibility and accountability for the safety of meat and poultry products. Therefore, FSIS is proposing to replace the prescriptive regulations governing thermally processed, commercially sterile products with performance standards. FSIS is also proposing to remove §§ 320.2(b)(6) and 381.175(b)(3) because they refer to recordkeeping requirements in the canning regulations that FSIS is proposing to eliminate. FSIS has discussed this proposed action in previous documents, including the final rule that established the HACCP requirements:

> The current canning regulations contain numerous prescriptive features, including extensive FSIS involvement in the decision making process, that are inconsistent with the philosophy underlying HACCP. In the advance notice of proposed rulemaking ''FSIS Agenda for Change: Regulatory Review'' (60 FR 67469; December 29, 1995), FSIS stated its intention to convert the canning regulations to performance standards, which are more consistent with HACCP.
>
> (61 FR 38824)

FSIS is proposing lethality performance standards to ensure the elimination or control of the pathogen *C. botulinum* in thermally processed, commercially sterile meat and poultry products. FSIS also is proposing a revised requirement ensuring the commercial sterility of these products. This requirement is consistent with the existing shelf-stability/commercial sterility definitions in § 318.300(u) and 381.300(u) and the FDA regulations for commercial sterility of canned products contained in 21 CFR 113.3(e).

A. Lethality

FSIS is proposing different lethality performance standards, depending on whether the product is a low-acid product or a product in which pathogen growth is controlled by acidification or factors other than the thermal process. A low-acid, thermally processed, commercially sterile product is a canned or other hermetically sealed product in which any component has a pH value above 4.6 and a water activity above 0.85. Such products include canned poultry and canned uncured meat products, such as beef stew and chili con carne, and certain canned cured meats, such as vienna sausages and corned beef. An acidified thermally processed, commercially sterile product is a canned product that has been formulated or treated so that every component of the finished product has a pH of 4.6 or lower, usually within 24 hours after the completion of the thermal process, but sometimes longer. Such products include spaghetti sauce with meat and meat with tomato sauce. In addition, there are some canned, hermetically sealed products in which pathogen growth is controlled by factors other than the thermal process, such as a heat treatment in combination with salt or nitrite (e.g., canned luncheon meat).

FSIS is proposing to require that an establishment's process for producing a low-acid canned product result in a probability of 10^{-9} or less that there are spores of *C. botulinum* in a container of the product that are capable of growing, assuming an initial load of ≤ 1000 spores per container. Alternatively, the establishment may achieve a 12-$\log_{10}$ reduction of *C. botulinum.* A process carried out for a certain number of minutes at a given temperature that reduces *C. botulinum* by a factor of 12 decimal units, often referred to in the canning industry as a ''botulinum cook,'' is one that meets a 12-$\log_{10}$ standard, also known as a 12-D standard. A 12-D process has been demonstrated to be sufficient to destroy *C. botulinum* in a low-acid canned product. Under this proposal, the level of safety that a process other than a 12-D process would have to achieve would be a probability of 10^{-9} or less of any *C. botulinum* spores in a container of the product that are capable of growing, assuming an initial load of ≤1000 organisms.

The 12-D concept arose from studies on the thermal resistance of *C. botulinum* conducted in the early 1920's by scientists of the National Canners Association (predecessor of the National Food Processors Association). These scientists inoculated a phosphate buffer with spores of the most heat-resistant strain of the organism then known. They determined, by extrapolating from the exponential survival curve for the organism, the temperature and duration of the heat process necessary to reduce the population from 6×10^{11} spore/unit to less than one spore/unit. Subsequent studies on products inoculated with *C. botulinum* and other organisms essentially confirmed the results of these studies.

These products undergo a botulinal cook to achieve an acceptable safety level. It should be noted that the intensity of the process is not related to the actual number of *C. botulinum* organisms that may be in the product. That number is usually very low in a meat product (less than a spore per kilogram). So the 12-D process provides a tremendous safety margin to consumers.

The level of safety achieved by a 12-D process in low-acid canned products is understood by thermal processing experts to be a 10^{-9} probability of any live botulinum organisms (Refs. 30–31, available for viewing by the public in the FSIS Docket Room). That means that the odds are one in a billion that a can is contaminated with the organism. This result is arrived at by assuming that a process that reduces botulinum spores by 10^{-12}—a 12-D process—is applied to a test pack of product inoculated with 10^3 spores per unit. The probability that any containers that are subjected to the process harbor spores capable of growing is 10^{-9}. Thus, FSIS is proposing to require that establishments producing low-acid products achieve a probability of 10^{-9} or less that there are spores of *C. botulinum* in a container that are capable of growing or a 12-$\log_{10}$ reduction of *C. botulinum.*

FSIS is proposing to require that the processing of acidified low-acid products and of some cured products and other canned products in which pathogen growth is controlled by factors other than the thermal process, prevent multiplication of *C. botulinum.* For these products, processing (formulation and environment) must prevent growth rather than achieve any specific decimal reduction of *C. botulinum.* Therefore, there can only be one level of performance for acidified low-acid products and other thermally processed, commercially sterile products in which pathogen growth is controlled by factors other than the thermal process—prevention of *C. botulinum* multiplication. However, the prevention of multiplication can be achieved by a variety of methods.

Acidified low-acid meat and poultry products are generally acidified by ingredients, such as tomato sauce, or by additives, such as glucono-delta-lactone, which increase the acidity (i.e., lower the pH) of the products. The acidity of these products (pH at or below 4.6) is sufficient to prevent the germination of *C. botulinum* and other bacterial spores. The heat processing of these products does not include a botulinum cook or retort but is achieved at pasteurizing

temperatures below 100 °C. (212 °F.) and is sufficient to kill or inactivate molds, yeasts, and vegetative bacterial cells. This processing is important because, if canned acidified foods are contaminated by yeast or mold, the pH of the foods could be raised above 4.6, thus providing an environment for possible *C. botulinum* growth. These products—spaghetti sauce, for example—can be heat-treated before being placed in a container (i.e., hot-filled) rather than retorted and still achieve commercial sterility.

Other thermally processed, commercially sterile products can be rendered commercially sterile by a heat treatment in combination with other factors. For example, the shelf-stability of canned luncheon meat is a combined effect of heat treatment, the presence of nitrite and salt, and a low pre-processing level of *C. botulinum.* A 10-percent salt concentration or about 2 tenths of a percent of nitrite in the product formulation is usually considered sufficient to inhibit growth of the organism. The shelf-stability of dried meat-filled pasta results from a heat treatment and a water activity of less than 0.92 in the product. (Water activity is a measure of free moisture, or water available for microbial growth, in a food; the lower the number, the less moisture.) *C. botulinum* and other spore-forming organisms cannot grow at water-activity levels below 0.93. The heat treatment of these products destroys the vegetative cells of both pathogenic and nonpathogenic organisms, and the outgrowth of spores is prevented by the other inhibiting factors.

B. Commercial Sterility

FSIS also is proposing a specific requirement that all thermally processed, commercially sterile products, in fact, be commercially sterile and hermetically sealed. This requirement is consistent with the existing shelf-stability/commercial sterility definitions in § 318.300(u) and 381.300(u) and the FDA regulations for commercial sterility of canned products contained in 21 CFR 113.3(e). A commercial sterility requirement is necessary to protect against both food-safety-related and non-food-safety-related forms of contamination.

Product that has undergone more processing than necessary to protect health, but less than necessary for commercial sterility, is safe, but it may not be stable. The stability of the product is usually determined by incubating the product for a certain time at a given temperature (e.g., 10 days at 95±5°F), then sorting 100 percent of the product to locate any swelling or abnormal-appearing containers. Products that are shown to have undergone less processing than necessary to protect health are potentially hazardous and are removed from commerce.

The proposed commercial sterility requirement would mean that the process for a canned product, in addition to reducing or inactivating *C. botulinum* spores, would have to ensure a reduction or inactivation of spore-forming organisms sufficient to guarantee commercial sterility. A process that ensures a 10^{-9} probability of contamination by *C. botulinum* spores will not provide the same probability of destruction of the most heat-resistant mesophilic (optimum growth, 20–45°C) anaerobes, such as *Clostridium sporogenes,* or thermophilic (optimum growth, 50–65°C) organisms, such as *B. stearothermophilus.* Recommended processes for preventing contamination by such nonpathogenic organisms typically ensure a probability of no spore-forming units in the range of 10^{-6}. FSIS is proposing a general and not a quantitative standard for commercial sterility in this document but requests comment on whether a quantitative standard is necessary.

FSIS considers a commercial sterility standard to be appropriate, among other reasons, because the Agency is obligated under the statutes it enforces to administer programs aimed at preventing all forms of adulteration of meat and poultry products. The Agency's current thermal processing regulations are intended to ensure that canned and other thermally processed products are not adulterated.

Hermetic sealing of a container protects the product and prevents microorganisms or other potential contaminants from entering the container. If the container seal is inadequate, the product may no longer be microbiologically stable. *C. botulinum* or spoilage organisms could contaminate the product during container cooling or storage. The product could become adulterated because of spoilage, an economic concern, or because of *C. botulinum,* a public health concern. For this reason, FSIS considers appropriate, and is proposing, a hermetic sealing requirement. In § 430.5(c), FSIS is proposing that the seal be airtight to protect the contents of the container from the entry of microorganisms.

C. Training

Several industry groups and other interested parties have expressed reservations concerning any replacement of the existing regulations for thermally processed, commercially sterile products with performance standards. The complexity of the canning process, as well as the virulence of *C. botulinum* toxin which can form in canned products, have been cited as reasons for maintaining the existing, prescriptive regulations. Significantly, FSIS is proposing to retain, in new § 430.5(d), the requirement that all operators of processing systems for commercially sterile meat and poultry products and container closure technicians be under the direct supervision of a person who has successfully completed a school of instruction that is generally recognized as adequate for training supervisors of canning operations. FSIS specifically invites comment as to whether and in what form the existing requirements for thermally processed, commercially sterile meat and poultry products should be retained. If the Agency does replace the current regulations with the proposed performance standards, it plans to issue a revised version of the current regulations as compliance guides for industry.

VII. Elimination of *Trichina* Treatment Requirements

FSIS also is proposing to remove the provisions for the prescribed treatment of pork and of products containing pork to destroy *trichina* (*Trichinella spiralis*) under § 318.10. FSIS requires establishments to eliminate *trichina* from numerous RTE products under these regulations. If this proposal is made final, the specifically prescribed treatments will be unnecessary, since compliance with the proposed lethality performance standards should also render RTE products free of *trichina.*

With regard to heat-treated, RTE products containing pork, the required treatment to destroy *trichina* would no longer be needed because if the process used meets the proposed performance standards for *Salmonella,* the process should eliminate any live *trichina.* For dried, salt-cured, or fermented products, the implementation of the lethality requirements for *Salmonella* and *E. coli* 0157:H7 would also likely destroy *trichina.* However, because there are no published studies comparing the lethalities of *Salmonella* or *E. coli* 0157:H7 to the destruction of *trichina* in dried, salt-cured, or fermented products, the Agency cannot state with absolute certainty that the proposed lethalities for these products would also destroy any live *trichina.* Thus, if the establishment identifies *trichina* as a hazard reasonably likely to occur, the establishment would have to ensure that

the process used effectively eliminates this hazard.

Several products that are not RTE also must be treated to destroy *trichina* under § 318.10. FSIS is proposing to remove the *trichina* treatment provisions for these products because they represent overly prescriptive provisions that are contrary to HACCP. By removing these provisions for all products, the Agency would provide establishments with flexibility to determine whether they need to treat the products to eliminate *trichina.* If an establishment identifies *trichina* as a hazard reasonably likely to occur in a process, it must address *trichina* in its HACCP plan.

The Agency prescribes *trichina* treatment for certain not-RTE products that may be eaten rare or undercooked because of their appearance. These products may appear to have been cooked because they contain ingredients such as wine, paprika, or curing agents. Significantly, however, packages of raw meat and poultry products must bear the safe handling label. The safe handling instructions regulations (9 CFR 317.2(l) and 381.125(b)) require that all meat and poultry products that are not RTE bear safe handling instructions on the label. By following the ''cook thoroughly'' portion of the safe handling instructions, the consumer should eliminate possible bacterial contaminants and any *trichina* present in the product. According to the FSIS Meat and Poultry Hotline and industry sponsored consumer surveys, the perception that pork may be infected with *trichina* continues to be a common food safety concern to American consumers, so FSIS has some confidence that consumers will cook these products thoroughly.

FSIS is examining the need for future rulemaking to address these pork products and other similar non-pork products that may be eaten without adequate cooking because of their appearance. The Agency is considering requiring conspicuous labeling that would identify these products as not-RTE and provide more specific instruction to consumers regarding safe handling and preparation.

The requirements in § 318.10 for treating pork products that may contain *trichina* originated in the early part of the 20th Century. At that time *T. spiralis* was a serious foodborne problem caused by consumption of underprocessed products. In response, the USDA implemented rules that prescribed treatments, in part based on USDA research, to destroy *trichina* in RTE products. At the time these prescribed *trichina* treatments were implemented, the causes of bacterial foodborne illnesses were not fully characterized or recognized. Thus, USDA was prescribing treatments to address the best-known foodborne hazard and believed a *trichina*-free product was indeed safe-to-eat. In subsequent decades, as other foodborne pathogens were recognized and characterized, these prescriptive regulations were not modified to address those hazards.

For example, other organisms may be biological hazards in pork, such as *Toxoplasma gondii* and *Taenia solium.* These organisms must also be eliminated from certain products, including RTE products, in order for the product to be safe. However, the Agency has not prescribed the methods of elimination of these and other similar potential hazards in pork. FSIS has determined that these and other hazards, like *trichina,* should be addressed under HACCP plans rather than through prescriptive regulations.

All establishments producing products containing pork should assess whether *trichina* is a hazard reasonably likely to occur in their processes. If it is, they should address this hazard in their HACCP plans. Establishments should assess whether the product should be treated for elimination of live *trichina,* whether special cooking instructions are necessary on the label of the product, or whether the safe handling label is sufficient to ensure that the product is cooked to temperatures necessary to eliminate any possible live *trichina.* The establishment's decision concerning whether to treat the product for *trichina* or to include special cooking instructions on the label may be based on how the consumer typically prepares the product or the likelihood of the product's being confused with a RTE product.

Establishments that produce pork products should consider whether their suppliers have taken measures to prevent *trichina* infection of their herds. FSIS has entered into an agreement with other USDA agencies, two pork processors, and the National Pork Producers Council to pilot test a program that will identify risk factors for *trichina* infection and certify production units that voluntarily adopt practices to reduce or eliminate those risks. Pork producers who wish to be certified will agree to implement management practices that prevent a herd from becoming *trichina* infected. Qualified accredited veterinarians, trained by the USDA Animal and Plant Health Inspection Service (APHIS), will audit production units to ensure that practices are being followed. APHIS will subsequently review audit findings and, if satisfactory, issue a Trichinae Certification to the herd. In addition, APHIS will track the status of all certified herds and conduct spot audits to ensure program integrity. Herds owners must renew certification status every 15 months by satisfactorily completing another audit.

When pigs are submitted for slaughter as *trichina* certified, processors will check the APHIS database to ensure that the premises of origin are certified and in good standing. A representative sample of *trichina* certified pigs, as provided by the National *Trichina* Certification Program Standards, will be tested for the presence of *trichina* to ensure program integrity . FSIS will verify that processors properly check status of pigs, test samples as required, and maintain adequate animal identification and records. Any label claims that ultimately are made will be handled through the usual FSIS label approval process.

The pilot program began in August 2000 with the training of qualified accredited veterinarians and enrollment of pork producers. After the pilot is completed (in approximately one and a half years), the Certification program will be made available nationally to all pork producers and processors.

Finally, FSIS is also proposing to remove other referential and related provisions concerning required treatment to eliminate *trichina.* The Agency is proposing to remove all of the following additional provisions: A reference to the required *trichina* treatment in § 303.1(f); the requirement under § 319.106(b) that country ham products and dry cured pork shoulder be treated for the destruction of possible *trichina;* the requirement under § 319.145(a)(2) that when pork muscle tissue is combined with beef or veal, or both, in the preparation of certain Italian sausage products, it be treated for the destruction of possible live *trichina;* the record retention requirement under § 320.1(b)(7) concerning sample results and calculation results as required by processing procedures to destroy *trichina* in § 318.10(c)(3)(iv) (Methods 5 and 6); the provision in § 325.7(a) for including pork that has been refrigerated to destroy *trichina* in the category of products that require special supervision between official establishments under official seal; and the provision under § 331.5(a)(1)(ii) that any meat or meat food product is adulterated if it is a RTE pork product that has not been treated to destroy *trichina* as prescribed in § 318.10.

VIII. Other Proposed Revisions to the Regulations

FSIS is proposing that the labeling of RTE products state that the product requires refrigeration after opening, as applicable. Current regulations require that labels of perishable products include such instructions, but the Agency is proposing to expand the required label instructions to include RTE shelf-stable products that require refrigeration after opening.

Also, FSIS is proposing to remove the regulations under § 318.17, 318.23, and 381.150 that require establishments not operating under HACCP to develop process schedules for the production of roast beef, cooked beef, corned beef; fully-cooked, partially-cooked, and char-marked uncured meat patties; and fully-cooked and partially-cooked poultry products, respectively. Similarly, FSIS is proposing to remove the definitions for ''process schedule'' and ''process authority'' in Parts 301 and 381.1. These regulations were established by the January 1999 rulemaking that also established the pathogen reduction performance standards for these products. At that time, certain official meat and poultry establishments were not yet required to develop and implement HACCP systems. Therefore, with these process schedule requirements, FSIS intended to ensure that all establishments that developed customized processing systems to meet the performance standards also would develop a validated system of process control, similar to HACCP. As of January 25, 2000, all official establishments are required to develop and implement HACCP systems, so these process schedule requirements are no longer necessary.

IX. Scientific Information and Data Needs

FSIS has identified additional needs for scientific information and analytical data that if addressed could strengthen the scientific foundation of the rule. It is extremely important that the regulations be based on sound science and common sense measures that involve significant public comment. FSIS requests the specific information identified in this document. In the section, the major data needs are summarized.

In order to facilitate public input and gather additional information during the comment period for this proposed rulemaking, FSIS plans to hold public meetings and scientific conferences to discuss the proposed provisions, especially those that would require certain establishments to conduct environmental testing for *Listeria spp.* FSIS also intends to present the proposed testing requirements and related scientific issues to the NACMCF for review.

Testing for Listeria spp.

In their recent draft risk assessment regarding *L. monocytogenes,* FDA and FSIS noted that there is an opportunity for recontamination of RTE foods by the pathogen during processing in the plant, after the lethality treatment is applied and before packaging (Ref. 28). Consequently, under the proposed regulations, each establishment that produces RTE meat and poultry products will be required to test food contact surfaces for *Listeria spp.* where product is handled after lethality but before final packaging, unless it has established a CCP for *L. monocytogenes* in its HACCP plan(s). The establishment and FSIS will use the test results to verify the efficacy of the establishment's Sanitation SOPs in preventing RTE product contamination by *L. monocytogenes.* If an establishment finds *Listeria spp.* on a food contact surface, it must take the corrective action(s) defined in its Sanitation SOPs, including: procedures to determine which lot or lots of product might have been affected; procedures to hold, sample, and test that product for *L. monocytogenes;* and procedures to dispose of affected product.

FSIS is confident that testing of food contact surfaces to verify that an establishment's Sanitation SOPs are eliminating *Listeria spp.* from food contact surfaces will result in sanitation improvements that will lead to reductions in the contamination of RTE meat and poultry products by *L. monocytogenes.* FSIS also is aware that its current testing of approximately 7,000 RTE product samples per year for *L. monocytogenes* is an indicator of possible public health problems, but that more discriminating approaches are in need of development. However, FSIS is not aware of any research that correlates specific amounts or types of testing with specific remedial actions or reductions in contamination and welcomes the submission of any data. FSIS also requests comment as to whether other types of environmental testing, regular product testing, or some combination may be more effective in detecting *L. monocytogenes* contamination problems.

FSIS has proposed required frequencies of testing that ensure very minimal levels of regular testing based on establishment size. FSIS is aware of no research linking volume of production with the likelihood of product adulteration by *L. monocytogenes,* but has assumed that insanitary establishments producing higher volumes of RTE meat and poultry products would be more likely to adulterate more product and thus pose more risk to the public health. As a result, FSIS has proposed a progressive series of testing frequencies so as to protect consumers from adulterated product. These testing frequencies also should minimize the costs of testing accrued by small business. FSIS requests any data that may adjust this assumption, suggest specific testing frequencies, correlate contamination risk with volume of production, or indicate what types and frequencies of testing for *L. monocytogenes* are most effective in detecting insanitation and possible adulteration of RTE meat and poultry products. Also, FSIS request data regarding the relationship between *Listeria spp.* and *L. monocytogenes* and how that relationship should affect any required testing provisions; For example, does a food contact surface positive for Listeria spp. scientifically necessitate product testing and what would negative product test results mean?

FSIS also requests data regarding the costs and benefits of the proposed testing provisions, as well as other testing protocols. Considering the number of listeriosis cases and deaths probably attributable to the consumption of adulterated RTE meat and poultry products (see Appendix 1 for further discussion), FSIS believes the public health benefits that would result from mandatory environmental testing could easily exceed the costs of the testing. But, FSIS seeks any data correlating testing, reductions in establishment contamination, and consequent reductions in listeriosis that could be used to improve the Agency's cost/benefit analysis.

Lethality Performance Standards

FSIS is proposing lethality performance standards for the pathogens *Salmonella* and *E. coli* O157:H7 derived from the Nationwide Microbiological Baseline Data Collection Program. Using the positive samples in the baseline data, FSIS derived hypothetical worst case raw products and then determined the levels of pathogen reduction (lethality performance standards) that, if met, would render these worst case raw products ready-to-eat and unadulterated with a specific margin of safety. FSIS also translated the results of the application of the lethality performance standards into probabilities of

remaining pathogens in finished RTE, product. Consequently, an establishment that demonstrates that its incoming raw product is consistently less contaminated than the worst case could apply a lower lethality than proposed, as long as it achieves the corresponding probability of remaining pathogens in finished RTE product.

It is possible that better data is available for deriving hypothetical worst case products and corresponding performance standards. FSIS is unaware of any human health risk assessments that could be used to correlate changes in the performance standards with changes in public health benefits. Higher or lower lethality performance standards may be necessary in all or specific processing contexts. FSIS specifically requests any data that would support requiring different lethality performance standards to achieve certain public health benefits.

The lethality performance standards for *Salmonella* already apply to numerous RTE meat and poultry products and FSIS believes that many establishments that produce RTE products not now subject to the proposed standards already meet them. It is likely, however, that some establishments will have to alter their processing methods to meet the proposed standards, i.e., to achieve higher levels of lethality in their RTE products. Further, manufacturers of RTE meat patties now only are required to comply with time/temperature regulations that yield a lesser level of lethality than what FSIS is proposing for all RTE meat products. FSIS requests information on the costs meat patty manufacturers and other establishments may accrue if required to meet the proposed lethality performance standards for RTE meat and poultry products.

Stabilization Performance Standards

Also under the proposal, all RTE meat and poultry products, other than thermally processed, commercially sterile products, and all partially heat-treated products, must be processed so as to prevent multiplication of toxigenic microorganisms such as *C. botulinum* and to allow no more than 1-$\log_{10}$ multiplication of *C. perfringens* within the product. Stabilization is commonly achieved by rapidly cooling product after cooking. It also can be achieved by the addition of a curing agent. These regulatory stabilization standards already apply to numerous RTE and partially-heat treated meat and poultry products.

Researchers have suggested to FSIS that there may be some inevitable growth of *C. botulinum* during a 1-$\log_{10}$ relative growth of *C. perfringens* and therefore compliance with the proposed zero growth standard for *C. botulinum* could in fact effectively require establishments to meet a more restrictive standard than that for *C. perfringens*. FSIS requests comment and scientific data relative to whether the Agency should revise the existing and proposed stabilization performance standard for controlling these two pathogens, as well as data on corresponding public health benefits.

X. Summary of the Proposed Rule

In summary, FSIS is proposing the following requirements governing the production of all RTE and partially heat-treated meat and poultry products:

- All RTE meat and poultry products, except for thermally-processed, commercially sterile products, must be processed to achieve a lethality performance standard that indicates a specific reduction in *Salmonella*.
- All fermented RTE meat and poultry products that contain any amount of beef, except for thermally-processed, commercially sterile products, must be processed to achieve an additional lethality performance standard that indicates a specific reduction in *E. coli* O157:H7.
- All RTE meat and poultry products, other than thermally processed, commercially sterile products, and all partially heat-treated products, must be processed so as to prevent multiplication of toxigenic microorganisms such as *C. botulinum* and to allow no more than 1-$\log_{10}$ multiplication of *C. perfringens* within the product.
- The processing of RTE meat and poultry products must be validated to achieve the reduction of other pathogens and their toxins or toxic metabolites necessary to prevent product adulteration. Further, processing must be validated to maintain the lethality and stabilization performance standards throughout product shelf-life under the conditions in which the food is stored, distributed, and held.
- All thermally-processed, commercially sterile meat and poultry products must be processed to either eliminate or control the growth of *C. botulinum*, depending on the pH of the product or other factors that affect the growth of that pathogen. These products also must be commercially sterile and the container in which the product is enclosed must be hermetically sealed.
- Each establishment that produces RTE meat and poultry products must test food contact surfaces for *Listeria spp*. in order to verify the efficacy of its Sanitation SOP, unless it has incorporated one or more controls for *L. monocytogenes* into its HACCP plan. Testing frequency will be based on establishment size. Food contact surface positives for *Listeria spp*. will trigger mandatory product testing.
- The regulations in § 318.10 that require the elimination of *trichina* from pork products will be rescinded.

XI. Compliance With Executive Order 12866

This proposed action has been reviewed for compliance with Executive Order 12866. Because this proposed action has been determined to be economically significant for purposes of Executive Order 12866, the Office of Management and Budget has reviewed it.

FSIS is proposing to amend the Federal meat and poultry inspection regulations by establishing pathogen reduction performance standards for all RTE and all partially heat-treated meat and poultry products. FSIS also is proposing to require establishments that produce RTE meat and poultry products to conduct environmental testing for *Listeria spp*. to verify that they are controlling *L. monocytogenes* within their processing environments. Establishments that have developed and implemented HACCP controls for *L. monocytogenes* would be exempt from these testing requirements. Finally, FSIS is proposing to eliminate its regulations that require that both RTE and not-ready-to eat pork and products containing pork be treated to destroy *trichina*; these requirements are inconsistent with HACCP and some will be unnecessary if FSIS makes final the proposed performance standards for RTE meat and poultry products.

This proposed action is compelled by recent outbreaks of foodborne illness related to the consumption of adulterated RTE meat and poultry products, as well as the need to provide objective, measurable pathogen reduction standards that can be met by official establishments and compliance with which can be established through Agency inspection. Although FSIS routinely samples and tests some RTE products for the presence of pathogens prior to distribution, there are no specific regulatory pathogen reduction requirements for most of these products. And in regard to thermally processed, commercially sterile (most often canned) meat and poultry products, the proposed standards represent regulatory reform; they replace lengthy, prescriptive regulations with performance standards that provide the

same level of food safety, as well as increased flexibility for establishments to customize their processes under HACCP.

Appendix 1, published in this issue of the **Federal Register** immediately following this proposed rule, contains a preliminary analysis required under Executive Order 12866, including a discussion of the need for the proposed regulations, regulatory alternatives considered by FSIS, and a complete cost-benefit analysis. FSIS demonstrates in Appendix 1 why it believes that this proposed action would result in benefits.

In short, if the proposed regulations could achieve a complete elimination of listeriosis that results from the consumption of contaminated RTE meat and poultry products, the expected annual reduction in listeriosis cases and deaths would range from 1660 cases and 331 deaths (based the draft FDA–FSIS risk assessment and on 100 percent program effectiveness) to 167 cases and 35 deaths (based on two independent CDC studies and 100 percent program effectiveness). FSIS is uncertain about the effectiveness of its proposed testing requirements in reducing listeriosis and therefore unable to adequately quantify a range of benefits. FSIS intends to use comments and data received during the comment period and at the planned technical conference to refine the proposed regulations and to better estimate benefits. It is of course unlikely that the proposed regulations could achieve complete elimination of the listeriosis that results from contaminated meat and poultry, but FSIS believes that the benefits of the regulations would exceed the total costs of all of the proposed provisions.

The two main provisions of the proposed rule are: (1) Mandatory in-plant testing for *Listeria* and (2) *Salmonella* and *E. coli O157:H7* performance standards firms must employ as measures of process control. Much of costs of these actions are associated with first-year, one-time validation pertaining to the achievement of the performance standards and with the incorporation of new information into plants' HACCP plans. These initial costs are projected at over $6.5 million, while annual recurring costs are estimated at $6.2 million. Benefits are expected to result from less contaminated product entering commercial channels due to increased sanitation efforts and in-plant verification through testing.

XII. Compliance With Regulatory Flexibility Act of 1996

The Administrator has determined that for the purposes of the Regulatory Flexibility Act (5 U.S.C. 601–612), this proposed rule will have a significant economic impact on a substantial number of small entities. As discussed in the regulatory impact analysis, FSIS estimates that the proposed performance standards may cost small and very small producers of jerky, hotdogs, luncheon meat and meat patties approximately $5 million annually, about 71 percent of the total costs of compliance associated with these provisions.

FSIS considered not proposing to extend the performance standards to these products because of the possible disproportionate economic impact on small business. However, taking this alternative would result in a significant inconsistency in the Agency's public health policy. Most, if not all, RTE meat and poultry products are manufactured from the same supply of raw product examined in the FSIS national baseline surveys. So performance standards derived from this baseline should be applicable to all categories of RTE meat and poultry products, regardless of how they are processed. That is, all RTE products should be required to meet the same standard of safety.

The ''Small Business Regulatory Enforcement Fairness Act of 1996'' (P. L. 104–121) requires, among other things, that

> For each rule or group of related rules for which an agency is required to prepare a final regulatory flexibility analysis under section 604 of title 5, United States Code, the agency shall publish one or more guides to assist small entities in complying with the rule, and shall designate such publications as ''small entity compliance guides''. The guides shall explain the actions a small entity is required to take to comply with a rule or group of rules. The agency shall, in its sole discretion, taking into account the subject matter of the rule and the language of relevant statutes, ensure that the guide is written using sufficiently plain language likely to be understood by affected small entities. Agencies may prepare separate guides covering groups or classes of similarly affected small entities, and may cooperate with associations of small entities to develop and distribute such guides.

With any final action that stems from this proposed rulemaking, FSIS will publish compliance guides for small businesses. The guides will include detailed instructions on how to comply with the proposed performance standards for all categories of RTE meat and poultry products. Establishments that wish to use the guides may incorporate them into their HACCP plans. Because FSIS will base its guidance on existing research and industry practices known to be effective, the Agency also will consider the processing instructions to be already validated. That is, establishment may follow the guidance without contracting for or conducting additional validation. FSIS believes compliance guides would significantly reduce the economic burden the proposed regulations could place on small businesses.

FSIS is examining other options to minimize the potential negative economic effects of these proposed regulations on small businesses, including staggering the effective dates for any final regulations, in consideration of establishment size. FSIS requests comment on other measures it could take to mitigate the economic impact of any final regulations.

FSIS also estimates that the direct cost of the mandatory environmental testing provision of the proposed rule will entirely fall on small and very small producers. Based on the preliminary analysis in Appendix 1, FSIS expects that they will incur approximately $1.75 million annually (See Appendix 1 for details on the cost estimates).

Types of Entities and Production Affected by the Proposed Regulations

The 1997 Census of Manufacturers identifies 1630 establishments which could potentially be affected by the proposed rule. In Appendix 1 and for this analysis, these establishments are broken down into four broad groups that FSIS differentiated by the estimated costs of compliance with all of the proposed provisions. These groups are further broken down into sub-groups where appropriate. The main product groups (and sub-groups, if appropriate) are:

- *Group I:* Those entities that likely will incur the greatest costs and which are further broken down into: Sub-group 1: fermented, dried, and salt-cured RTE meat and poultry products; Sub-group 2: hotdogs and wieners; Sub-group 3: cooked meat and poultry patties; and, Sub-group 4: smoked hams and poultry luncheon meats;
- *Group II:* Those entities that likely will incur moderate costs and which are further broken down into three types of producers of cooked or otherwise processed meat and poultry products (either produced by a combo plant, meat or poultry processor);
- *Group III:* those entities that likely will incur minor costs (frozen dinners, pizza, and other similar meat and poultry products); and

• *Group IV:* those entities that likely will incur no costs (canned meat and poultry products).

Almost 60 percent of all the establishments that could be potentially affected by the proposed rule are classified as small (employing between 10 and 500 employees) (Table 3). Another 32 percent fall into the very small establishment category of employing fewer than 10 employees while the remaining 9 percent are classified as large (employing more than 500 employees).

The number of establishments, the types of products shipped, and value of shipments of these groups are summarized below in Table 3.

Most product groups and sub-groups exhibit a population distribution in which about 33% of firms are very small, 60% are small, and less than 10% are large. However, three product groups differ markedly: Group II, Sub-groups 2 and 3 and Group IV (rows 11, 12, and 15 in Table 3). Large establishments play an important role in Group II, Sub-group 2 (poultry processors of miscellaneous RTE products containing meat and poultry) making up 37 percent of all their numbers. As a consequence, the percentage contributions to their total numbers for both small and very small establishments are much lower than the all-group averages. Canners (Group IV) also exhibit a much different population distribution than the average: they are dominated by small establishments, which lowers the presence of very small canning establishments. Finally, the percentage of very small combination slaughter/meat processing establishments in Group II, Sub-group 3 have almost as high a percentage of establishments as do the small establishments for all groups (55 percent of this sub-group consists of very small establishments while the percentage of small establishments drop to 48 percent).

TABLE 3.—NUMBER OF ESTABLISHMENTS BY SIZE WHICH MAY BE AFFECTED BY RTE RULE AND THEIR PROPORTION IN EACH PRODUCT GROUP

Group and subgroup	Establishment size categories				Total
	VS	S	VS+ S	L	
I:					
1	57 (38%)	85 (57%)	142 (95%)	8 (5%)	150
2	56 (34%)	94 (56%)	150 (90%)	17 (10%)	167
3	27 (36%)	47 (62%)	74 (98%)	2 (2%)	76
4	64 (34%)	105 (55%)	169 (89%)	22(11%)	191
Sub-Total	204 (35%)	331 (57%)	535 (92%)	49 (8%)	584
II:					
1	200 (36%)	339 (62%)	539 (98%)	12 (2%)	551
2	25 (15%)	79 (48%)	104 (63%)	60 (37%)	164
3	42 (55%)	29 (38%)	71 (93%)	5 (7%)	76
Sub-Total	267 (34%)	447 (56%)	714 (90%)	77 (10%)	791
III	35 (34%)	62 (59%)	97 (93%)	7 (7%)	104
IV	18 (12%)	121 (80%)	139 (92%)	12 (8%)	151
Total	524 (32%)	961 (59%)	1485 (91%)	145 (9%)	1630

Note: VS stands for ''very small,'' S stands for ''small,'' and L stands for ''large.''
Totals may not add due to rounding.

First-Year Total Direct Cost Impacts Across Establishment Size by Product Group

The total first year economic impacts (as estimated in Appendix 1) were broken down by product group and size. The percentages reported in Table 4 represent the impact on each product group as a percentage of the total industry-wide impact. The distribution of the economic impacts is based on assumptions, explained in detail in Appendix 1, concerning which groups of industry will be affected by the proposed performance standards, which will be affected by the proposed *Listeria* requirements, and of those affected by the *Listeria* requirements, which will choose to test for *Listeria spp.* and which will choose to develop CCPs for *L. monocytogenes.* Significantly, FSIS expects that large establishments would opt to develop CCPs for *L. monocytogenes,* but that many small and very small establishments will opt to test for *Listeria spp.*

TABLE 4.—POTENTIAL FIRST-YEAR TOTAL DIRECT COST IMPACTS ACROSS ESTABLISHMENT SIZES

Group and subgroup	Across all product-types [1]							
	VS		S		L		Total [2]	
	000's $	%	000's $	%	000's $	%	000's $	%
I:								
1	942.5	7.4	3108.4	24.6	1847.4	14.6	5898.3	46.6
2	89.6	0.7	313.7	2.5	189.2	1.5	592.5	4.7
3	308.3	2.4	1235.7	9.8	399.2	3.2	1943.3	15.4
4	114.1	0.9	386.3	3.1	412.5	3.3	912.9	7.2
Sub-Total Group I	1454.5	11.5	5044.1	39.8	2848.3	22.5	9347.0	73.8

TABLE 4.—POTENTIAL FIRST-YEAR TOTAL DIRECT COST IMPACTS ACROSS ESTABLISHMENT SIZES—Continued

Group and subgroup	Across all product-types [1]							
	VS		S		L		Total [2]	
	000's $	%	000's $	%	000's $	%	000's $	%
II:								
1	307.5	2.4	1093.1	8.6	313.5	2.5	1714.2	13.5
2	59.7	0.5	313.1	2.5	575.4	4.5	948.2	7.5
3	64.3	0.5	99.2	0.8	70.4	0.6	234.0	1.8
Sub-Total Group II	431.6	3.4	1505.4	11.9	959.3	7.6	2896.3	22.9
III	58.4	0.5	213.3	1.7	144.6	1.1	416.3	3.3
IV	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	1944.5	15.4	6762.8	53.4	3952.3	31.2	12659.6	100.00

Note: VS stands for ''very small,'' S stands for ''small,'' and L stands for ''large.''
Totals may not add due to rounding.

Matching up Percent of Establishments With Their Share of First Year Total Cost Impacts

The establishment data from Table 3 was broken down in a similar way as Table 4 above. That is, they were broken down by very small, small, and large size categories as a percent of the total number of establishments. This establishment population distribution (as reported in columns 3, 5, 7, and 9 in Table 5) was then combined with the distribution of the first-year industry-wide direct cost impacts from Table 4 (as reported in columns 4, 6, 8, and 10 in Table 5). In effect, Table 5 pairs each product group's percent of total establishments with its share of total first-year industry-wide economic impact. For example, the bottom line in Table 5 reveals that very small establishments comprise 32 percent of all RTE establishments and absorbs 15.4 percent of total first-year industry-wide economic impact (as was reported in Table 4).

Table 5 reveals that large establishments, on an establishment basis, bear a disproportionate share of the total regulatory cost. That is, they constitute less than 10 percent of the establishments and yet absorb over 31.2 percent of the first year total direct cost impacts. Most of these impacts are incurred by large Group I establishments, mainly to satisfy the performance standard requirements of the proposed rule.

TABLE 5.—PERCENT OF TOTAL ESTABLISHMENTS AND THEIR SHARE OF FIRST-YEAR TOTAL DIRECT COST IMPACTS

Group and sub-group	The percent of total establishments and total impact by establishment size							
	Very small		Small		Large		All sizes	
	Establish-ments	Impact	Establish-ments	Impact	Establish-ments	Impact	Establish-ments	Impact
I:								
1	4	7.4	5	24.6	1	14.6	10	46.6
2	3	0.7	6	2.5	1	1.5	10	4.7
3	2	2.4	3	9.8	0	3.2	5	15.4
4	4	0.9	6	3.1	1	3.3	11	7.2
Sub-Total Group I	13	11.5	20	39.8	3	22.5	36	73.8
II:								
1	12	2.4	21	8.6	1	2.5	34	13.5
2	1	0.5	5	2.5	4	4.5	10	7.5
3	3	0.5	2	0.8	0	0.6	5	1.8
Sub-Total Group II	16	3.4	28	11.9	5	7.6	49	22.8
Sub-Total Group III	2	0.5	4	1.7	0	1.1	6	3.3
Sub-Total Group IV	1	0.0	7	0.0	1	0.0	9	0.0
Total	32	15.4	59	53.4	9	31.2	100	100

Totals may not add due to rounding.

Per-Establishment Impact Estimates

FSIS realizes that the proposed rule has a unique impact on each establishment. Some establishments are already meeting the performance standards and some probably not; some establishments are conducting environmental tests for *Listeria* and have a *Listeria*-related CCP; some do not. The following tables attempt to put the aggregate impact of the proposed rule on an individual establishment basis. This sheds additional light on the distributional impact across establishment size. By so doing, a different picture on the relative impact on different size establishments comes into view. Keep in mind that the estimates below are made on an affected establishment basis, not on a purely product group average basis.

Performance Standards

For the 28 very small, 44 small, and 3 large establishments in Group I potentially affected by the proposed rule, performance standards may necessitate that these establishments incur an additional $40,210, $89,380 and $630,140 per firm in the first year for each size establishment, respectively (Table 6).

Most of these expected expenditures reflect increased treatment costs. These per firm costs, multiplied by the number of affected firms, produce an industry-wide, first-year cost impact of approximately $7.1 million (Table 6). The estimation of these costs is further explained in Appendix 1 in the sections entitled ''A. Projected Costs Associated with Production Adjustments'' and ''B. Projected Costs Associated with Performance Standard Validation.'' FSIS acknowledges that due to a lack of available data, the total costs of the proposed performance standards may be underestimated. See the section in Appendix 1 entitled ''Uncertainty: Cost Side'' for further discussion of the uncertainty around these estimated costs.

Mandatory Testing Requirements:

Mandatory food contact surface testing is the most difficult provision in the proposed rule to analyze because of the uncertainty of current practices and how establishments will react to the proposed rule. Major uncertainties include: the degree to which firms will switch to a *Listeria*-related CCP in their HACCP plan and the degree to which firms will be able to resolve their *Listeria*-related problems if they present themselves. Depending on the individual establishment, this provision of the proposed rule could necessitate small establishments incurring an additional $5,000 (to establish a *Listeria*-related CCP) or an additional $3,400 in environmental testing, and possibly as high as a $6,200 cost to resolve any *Listeria*-related problems. Large establishments are expected to meet this requirement by either having or incorporating a CCP addressing *Listeria* in their HACCP plan at a cost of $5000. Very small establishment could incur an additional $5000 cost (in CCP validation) or an additional $840 in environmental testing and possibly a $3200 cost in resolving their *Listeria*-related problems. Nineteen large establishments are expected to incur an $81,900 to implement measures to resolve their *Listeria*-related problems.

Summary

In the aggregate, large establishments incur a disproportionate share of the total industry-wide impact. This result is due to the volume-based costs associated with performance standards. On an individual establishment basis, the proposed rule still presents a substantial potential cost increase for very small and small establishments. Efforts to reduce validation costs on CCPs addressing *Listeria* and performance standards could afford this group of establishments with great financial relief. The treatment costs related to the performance standards is also an important driver in this analysis: this cost estimate is based on limited information at this time. Also, the flexibility afforded producers by the proposed rule may mean that new, more cost-effective, technology may be adopted in a relatively short time period and lower these costs. Such assumptions could not be incorporated in this analysis at this time.

TABLE 6.—DISTRIBUTIONAL ECONOMIC COST OF PERFORMANCE STANDARDS IN PROPOSED RULE

Group and sub-group	Per establishment cost impact (000's $ per establishment)				Number of establishments affected (number)				Industry-wide impacts (000's $)			
	VS	S	L	All	VS	S	L	All	VS	S	L	Total
I:												
1	45	100	650	108.4	19	28	3	50	854.15	2830.5	1731.6	5416.25
2	0	0	0	0	0	0	0	0	0.00	0	0	0.00
3	30	70	550	68.4	9	16	1	25	267.30	1085.7	363.0	1716.00
4	0	0	0	0	0	0	0	0	0.00	0	0.00	0.00
SubTotal Group I	40.2	89.4	630.1	95.1	28	44	3	75	1121.45	3916.2	2094.60	7132.25
II:												
1	0	0	0	0	0	0	0	0	0	0	0	0
2	0	0	0	0	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0	0	0	0	0
III:	0	0	0	0	0	0	0	0	0	0	0	0
IV:	0	0	0	0	0	0	0	0	0	0	0	0
Total	40.2	89.4	630.1	95.1	28	44	3	75	1121.45	3916.2	2094.6	7132.245

Totals may not add due to rounding.

TABLE 7.—DISTRIBUTIONAL ECONOMIC COST OF ADDITIONAL TESTING ASSOCIATED WITH MANDATORY LISTERIA TESTING PROVISION IN PROPOSED RULE.

Group and sub-group	Per establishment cost impact (000's $ per establishment)				Number of establishments affected (number)				Industry-wide impacts (000's $)			
	VS	S	L	All	VS	S	L	All	VS	S	L	Total
I:												
1	.84	3.4	0	2.1	46	43	0	88	38.3	142.8	0.0	181.1
2	.84	3.4	0	2.1	45	47	0	92	37.6	157.9	0.0	195.5
3	.84	3.4	0	2.1	22	23	0	45	18.1	79.0	0.0	97.1
4	.84	3.4	0	2.1	51	53	0	104	43.0	176.4	0.0	219.4
II:												
1	.84	3.4	0	2.1	160	170	0	330	134.4	569.5	0.0	703.9
2	.84	3.4	0	2.5	20	40	0	60	16.8	132.7	0.0	149.5
3	.84	3.4	0	1.6	34	15	0	48	28.2	48.7	0.0	76.9
III	.84	3.4	0	2.2	28	31	0	59	23.5	104.2	0.0	127.7

TABLE 7.—DISTRIBUTIONAL ECONOMIC COST OF ADDITIONAL TESTING ASSOCIATED WITH MANDATORY LISTERIA TESTING PROVISION IN PROPOSED RULE.—Continued

Group and sub-group	Per establishment cost impact (000's $ per establishment)				Number of establishments affected (number)				Industry-wide impacts (000's $)			
	VS	S	L	All	VS	S	L	All	VS	S	L	Total
IV	0	0	0	0.0	0	0	0	0	0	0	0.0	0
Total	.84	3.4	0	2.1	405	420	0	825	340.0	1411.2	0.0	1751.2

Totals may not add due to rounding.

TABLE 8.—DISTRIBUTIONAL ECONOMIC COST OF HACCP VALIDATION ASSOCIATED WITH LISTERIA MONOCYTOGENES CONTROLS IN PROPOSED RULE

Group and sub-group	Per establishment cost impact (000's $ per establishment)				Number of establishments affected (number)				Industry-wide impacts (000's $)			
	VS	S	L	All	VS	S	L	All	VS	S	L	Total
I:												
1	5.0	5.0	5.0	5.0	6	14	4	24	28.5	70.8	20.00	119.3
2	5.0	5.0	5.0	5.0	6	16	9	30	28.0	78.3	42.50	148.8
3	5.0	5.0	5.0	5.0	3	8	1	12	13.5	39.2	5.00	57.67
4	5.0	5.0	5.0	5.0	6	18	11	35	32.0	87.5	55.00	174.50
Sub-Total—Group I	5.0	5.0	5.0	5.0	20	55	25	100	102.0	275.8	122.50	500.30
II:												
1	5.0	5.0	5.0	5.0	20	57	6	83	100.0	282.5	30.0	412.5
2	5.0	5.0	5.0	5.0	3	13	30	46	12.5	65.8	150.0	228.3
3	5.0	5.0	5.0	5.0	4	5	3	12	21.0	24.2	12.5	57.7
Sub-Total—Group II	5.0	5.0	5.0	5.0	27	75	39	14	133.5	372.5	192.5	698.5
III	5.0	5.0	5.0	5.0	4	10	4	17	17.5	51.7	17.5	86.7
IV	0	0	0	0	0	0	0	0	0	0	0	0
Total	5.0	5.0	5.0	5.0	51	140	67	257	253	700	332.5	1285.5

Numbers may not add due to rounding.

TABLE 9.—DISTRIBUTIONAL ECONOMIC COST OF PRODUCTION EFFECT 1 AND 2 ASSOCIATED WITH THE MANDATORY LISTERIA TESTING PROVISIONS IN PROPOSED RULE

Group and sub-group	Per establishment cost impact (000's $ per establishment)				Number of establishments affected (number)				Industry-wide impacts (000's $)			
	VS	S	L	All	VS	S	L	All	VS	S	L	Total
I:												
1	2.7	5.4	85.5	8.65	8	12	1	21	21.53	64.3	95.80	181.63
2	3.0	5.9	61.6	10.6	2	13	2	23	23.96	77.5	146.71	248.17
3	2.5	4.8	111.6	6.8	4	7	0	11	9.41	31.9	31.20	72.51
4	4.4	8.3	116.1	19.4	9	15	3	27	39.1	122.4	357.50	519.00
Sub-Total—Group I	3.3	6.4	92.0	12.5	29	46	7	82	94	296.1	631.21	1021.31
II:												
1	2.6	5.1	168.8	7.7	28	47	2	77	73.1	241.1	283.5	597.7
2	8.7	10.4	50.6	24.8	4	11	8	23	30.44	114.5	425.4	570.34
3	2.6	6.5	82.7	9.3	6	4	1	11	15.1	26.3	57.9	99.3
Sub-Total—Group II	3.2	6.1	71.1	11.4	37	63	11	111	118.64	381.9	766.8	1267.34
III	3.5	6.6	129.7	13.8	5	9	1	15	17.4	57.4	127.1	201.9
IV	0	0	0	0	0	0	0	0	0	0	0	0
Total	3.2	6.2	81.9	12.0	71	118	19	207	230.02	735.4	1525.20	2490.65

Totals may not add due to rounding.

XIII. Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. States and local jurisdictions are preempted by the Federal Meat Inspection Act (FMIA) and the Poultry Products Inspection Act (PPIA) from imposing any marking, labeling, packaging, or ingredient requirements on federally inspected meat and poultry products that are in addition to, or different than, those imposed under the FMIA and PPIA. States and local jurisdictions may, however, exercise concurrent jurisdiction over meat and poultry products that are outside official establishments for the purpose of preventing the distribution of meat and poultry products that are misbranded or adulterated under the FMIA and PPIA, or, in the case of imported articles, that are not at such an establishment, after their entry into the United States. This proposed rule is not intended to have retroactive effect.

If this proposed rule is adopted, administrative proceedings will not be required before parties may file suit in court challenging this rule. However, the administrative procedures specified in 9 CFR 306.5 and 381.35 must be exhausted prior to any judicial challenge of the application of the provisions of this proposed rule, if the challenge involves any decision of an FSIS employee relating to inspection services provided under the FMIA or PPIA.

XIV. Risk Analysis

Section 304 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103–354) requires any regulation published by USDA concerning human health, safety, or the environment, and having an annual economic impact of at least $100 million in 1994 dollars, contain a risk assessment and cost-benefit analysis. The risk assessment and cost-benefit analysis must be ''performed consistently and use reasonably obtainable and sound scientific, technical, economic, and other data.'' The USDA Office of Risk Assessment and Cost-Benefit Analysis (ORACBA), also established by the 1994 Act, must ensure that major rules include such analyses.

Although the initial costs of compliance with the proposed regulations may be less than $100 million, they also may exceed $100 million. FSIS estimates that over an undetermined, but relatively short period of time, the benefits of the regulations also should exceed this amount. In the economic analysis required under E. O. 12866, FSIS estimates that after 10 years, 868 to 8,632 cases of listeriosis may be eliminated as a result of this rule (see Appendix 1). Consequently, FSIS believes that the proposed regulations are subject to the Reorganization Act requirements for a risk assessment and cost-benefit analysis.

FSIS and ORACBA have agreed that the cost-benefit and economic impact analyses that FSIS has performed for this proposed rule, as required by E.O. 12866 and the Regulatory Flexibility Act, satisfy the cost-benefit analysis requirements of the Reorganization Act. Regarding the required risk assessment, FSIS is presenting several different documents to support different provisions of the proposed regulations.

To support the proposed lethality performance standard for the elimination of *E. coli* O157:H7 from fermented RTE products that contain beef, FSIS cites its draft ''Risk Assessment of the Public Impact of *Escherichia coli* O157:H7 in Ground Beef'' (Ref. 1, available for viewing by the public in the FSIS Docket Room). As discussed above, this document shows that levels of *E. coli* O157:H7 in cattle represent a risk to consumers of ground beef, and that, unless there is a significant intervention on the farm or during processing, the risk is likely to remain. Use of this draft risk assessment to develop the performance standard for fermented products containing beef is discussed above in detail in the sections ''Derivation of the Proposed Lethality Performance Standards'' and ''Fermented Products.''

To support the other proposed lethality performance standards, except for the lethality standards applicable to commercially sterile meat and poultry products, and to support the proposed stabilization performance standards, FSIS used its Nationwide Microbiological Baseline Data Collection Programs and Nationwide Federal Plant Microbiological Surveys (Ref. 3, available for viewing by the public in the FSIS Docket Room), as well as its technical analysis of those surveys (Ref. 2, available for viewing by the public in the FSIS Docket Room). Within the technical analysis, FSIS developed models using the baseline and survey data to define a worst case raw product (the highest initial levels of *Salmonella* found in the data from the microbiological surveys), and then calculate the probability distribution for the number of surviving *Salmonella* organisms in 100 grams of finished product for various specific lethality reductions. Lethality performance standards then were selected that provided low probabilities of surviving organisms in finished worst case product. Most, if not all, RTE meat and poultry products will be manufactured from the same supply of raw product examined in the FSIS national baseline surveys. So, using performance standards that would render any hypothetical, worst case raw product safe should be applicable to all categories of RTE meat and poultry products.

To support the proposed environmental testing requirements for *Listeria spp.*, FSIS uses the draft interagency risk assessment concerning foodborne *Listeria monocytogenes* (Ref. 28, available for viewing by the public in the FSIS Docket Room). As discussed above in the section entitled ''Proposed Requirements for Controlling *L. monocytogenes*,'' this draft risk assessment indicates that many of the meat and poultry products affected by these regulations (deli meat, frankfurters, meat and poultry-based deli salads, and pâté) pose relatively high risks to consumers because of potential recontamination by *L. monocytogenes* after lethality is applied and before final product packaging.

XV. Additional Public Notification

Public awareness of all segments of rulemaking and policy development is important. FSIS provides a weekly FSIS Constituent Update via fax to over 300 organizations and individuals. In addition, the update is available on line through the FSIS web page located at *http://www.fsis.usda.gov*. The update is used to provide information regarding FSIS policies, procedures, regulations, **Federal Register** notices, FSIS public meetings, recalls, and any other types of information that could affect or would be of interest to our constituents/stakeholders. The constituent fax list consists of industry, trade, and farm groups, consumer interest groups, allied health professionals, scientific professionals, and other individuals that have requested to be included. Through these various channels, FSIS is able to provide information to a much broader, more diverse audience than would be otherwise possible. For more information or to be added to the constituent fax list, fax your request to the Congressional and Public Affairs Office, at (202) 720–5704.

XVI. Paperwork Requirements

Paperwork Requirements

In accordance with section 3507(d) of the Paperwork Reduction Act of 1995, the information collection or recordkeeping requirements included in this proposed rule have been submitted for approval to the Office of Management and Budget (OMB).

Abstract: FSIS has reviewed the paperwork and recordkeeping requirements in this proposed rule in accordance with the Paperwork Reduction Act. Establishments producing RTE product would make modifications to their HACCP plans. Also, establishments that produce RTE product and who do not identify *L. monocytogenes* as a hazard reasonably likely to occur, must perform tests for *Listeria spp.* to verify that their Sanitation SOPs are preventing direct contamination or adulteration of product. Establishments would need to maintain these results. The proposed revisions to the labeling requirements in §§ 317.2 and 381.125 would effect generically approved labels and so do not constitute a paperwork burden.

Estimate of Burden: FSIS estimates that 1,630 establishments will produce paperwork and recordkeeping as a result

of this rulemaking. Because the Agency does not know how an establishment will decide to implement certain requirements of this rule, that is some may modify their HACCP plans and others may chose to test product, FSIS used the total of 1,630 to make its burden estimates for each paperwork and recordkeeping activity. The Agency estimates that it will take 8 hours for an establishment to reassess their HACCP plans for a total burden of 13,040 hours. The Agency estimates that an establishment will spend about 5 minutes a day (250 days) completing 1 monitoring record for each new CCP for a total burden of 33,958 hours and 2 minutes a day filing the resulting record for a total of 13,583 hours. FSIS assumes each establishment will develop one new CCP. For an establishment testing products for Listeria spp., FSIS estimates it will take an establishment 30 minutes a day to collect the information and file the records for a total of 203,750 hours.

Respondents: Meat and poultry product establishments.

Estimated Number of Respondents: 1,630.

Estimated Number of Responses per Respondents: 502.

Estimated Number of Responses: 818,260.

Estimated Total Annual Burden on Respondents: 264,708.

Copies of this information collection assessment can be obtained from Lee Puricelli, Paperwork Specialist, Food Safety and Inspection Service, USDA, Room 109 Cotton Annex, Washington, DC 20250–3700.

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 proposed collection of information including the validity of the method and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on those who are to respond; including through use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Lee Puricelli, see the address above, and to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB) Washington, DC 20253. A comment to OMB is best assured of having its full effect if OMB receives is within 30 days of publication of this proposed rule.

XVII. References

The following sources are referred to in this document. All have been placed on display in the FSIS Docket Room (address above) and may be seen by interested persons between 8:30 a.m. and 4:30 p.m., Monday through Friday.

1. FSIS Office of Public Health and Science, ''Draft Risk Assessment of the Public Health Impact of *Escherichia coli* O157:H7 in Ground Beef, 2000.
2. Ahmed, N. M., D. E. Conner, and D.L. Huffman, ''Heat-resistance of *Escherichia coli* O157:H7 in meat and poultry as affected by product composition,'' *Journal of Food Science*, 60(3): 606–610, 1995.
3. FSIS, ''Lethality and Stabilization Performance Standards for Certain Meat and Poultry Products: Technical Paper,'' 1998.
4. FSIS, Microbiological Baseline Data Collection Program reports and Microbiological Surveys, 1994–1996.
5. American Gastroenterological Association, ''Consensus Conference Statement: *Escherichia coli* O157:H7 Infections-An Emerging National Health Crisis, July 11–13, 1994,'' *Gastroenterology*, 108(6):1923–1934, 1995.
6. Wells, J. G., et al., ''Laboratory Investigation of Hemorrhagic Colitis Outbreaks Associated with a Rare *Escherichia coli* Serotype,'' *Journal of Clinical Microbiology*, 18:512–520, 1983.
7. Todd, E.C.D., et al., ''Rapid Hydrophobic Grid Membrane Filter-Enzyme-Labeled Antibody Procedure for Identification and Enumeration of *Escherichia coli* O157 in Foods,'' *Applied Environmental Microbiology*, 54:2536–2540, 1988.
8. Harrison, J.A. and M. A. Harrison, ''Fate of *Escherichia coli* O157:H7, *Listeria monocytogenes*, and *Salmonella typhimurium* during preparation and storage of beef jerky,'' *Journal of Food Protection*, 59:1336–1338, 1996.
9. Harrison, J. A., M. A. Harrison, and R.A. Rose, ''Fate of *Listeria monocytogenes* and *Salmonella* species in ground beef jerky,'' *Journal of Food Protection*, 60:9:1139–1141, 1997.
10. Harrison, J. A., M. A. Harrison, and R.A. Rose, ''Survival of *Escherichia coli* O157:H7 in ground beef jerky assessed on two plating media *Journal of Food Protection*,'' 61:11:13., 1998.
11. CDC, Morbidity and Mortality Weekly Report, 44:785–788, 1995.
12. Keene, W.E., et al., ''An outbreak of *Escherichia coli* O157:H7 infections traced to jerky made from deer meat,'' *Journal of the American Medical Association, 277:15:1229–1231, 1997.*
13. Tompkin, R. B., ''Microbiology of ready-to-eat meat and poultry products,'' pp. 89–121, in *Advances in Meat Research*, volume 2, A. M. Pearson and T.R. Dutson, eds., AVI Publishing Co., Westport, CT., 1986.
14. Gonzalez-Helva, M.A., M.F. Gutierrez, and M.C. Mendoza, ''Diagnosis by a combination of typing methods of a *Salmonella typhimurium* outbreak associated with cured ham,'' *Journal of Food Protection*, 59:426–428, 1996.
15. Mete, R., R. R. Fichera, and P. Chierchini, ''Episodio di tossinfezione alimentare da *Salmonella* C2 trasmessa da prosciutto,'' *Nuovi Annali d'Igiene e Microbiologia*, 38:219–224, 1987.
16. CDC, Morbidity and Mortality Weekly Report, 44(9):157–160, 1995.
17. FSIS Epidemiology and Emergency Response Program, ''Outbreak Report: Salmonella in Lebanon Bologna,'' May 22, 1996.
18. Haymon, L.W., ''Fermented sausage,'' pp. 237–245, in *Industrial Microbiology*, 4th Edition, Prescott and Dunn, eds., AVI Publishing Co., Westport, CT., 1982.
19. Tatini, S. R., ''Influence of food environments on growth of *Staphylococcus aureus* and production of enterotoxins,'' *Journal of Milk Food Technology*, 36(11):559–563, 1973.
20. Smith, J.L., et al., ''Survival of *Salmonella dublin* and *Salmonella typhimurium* in Lebanon bologna,'' *Journal of Milk Food Technology*, 38(3):150–154, 1975.
21. Bacus, J., ''Processing procedures to control *Salmonella* and *E. coli* in fermented sausage products,'' *Food Australia*, 49(11):543–7, 1997.
22. Ellajosyula, K.R., et al., ''Destruction of *E. coli* O157:H7 and *Salmonella typhimurium* in Lebanon bologna by interaction of fermentation pH, heating temperature and time,'' *Journal of Food Protection,* 61(2):152–157, 1998.
23. Faith, N.G., et al., ''Viability of *Escherichia coli* O157:H7 in pepperoni during the manufacture of sticks and the subsequent storage of slices at 21, 4 and −20C under air vacuum and CO2,'' *International Journal of Food Microbiology*, 37:47–54, 1997.
24. Glass, K.A., et al., *Applied Environmental Microbiology*, Fate of *Esherichia coli* O157:H7 as affected by pH or sodium chloride and in fermented, dry sausage, 58(8):2513–2516, 1992.
25. Labbe, R., ''*Clostridium perfringens*,'' pp. 210 and 213, in *Food borne Bacterial Pathogens*, M. Doyle (ed.), Marcel Dekker, Inc., New York, 1989.
26. Hauschild, A., ''Criteria and Procedures for Implicating Clostridium Perfringens in Food-borne Outbreaks,'' *Canadian Journal of Public Health*, 66:388–392, 1975.
27. McClane, B.A., ''*Clostridium Perfringens* Enterotoxin: Structure, Action, and Detection,'' *Journal of Food Safety*, 12:237–252, (1992).
28. Center for Food Safety and Applied Nutrition, FDA, and FSIS, ''Draft Risk Assessment of the Public Health Impact of Foodborne *Listeria monocytogenes*,'' January 19, 2001.
29. Tompkin, R. Bruce, et al., ''Guidelines to Prevent Post-Processing Contamination from *Listeria Monocytogenes*,'' *Dairy, Food, and Environmental Sanitation*, 8:552, 1999.
30. Pflug, I.J., T.E. Odlaug, ''A review of z and F values used to ensure the safety of low-acid canned food,'' *Food Technology*, 32:63–70, 1978.
31. Pflug, I.J., ''Calculating F_T values for heat preservation of shelf-stable, low-acid

canned foods using the straight-line semilogarithmic model,'' *Journal of Food Protection*, 50:608–620, 1987.
32. Beumer, R. R., Mc C. te Giffel, E. de Boer, and F. M. Rombouts. 1996. Growth of *Listeria monocytogenes* on sliced cooked meat products. Food Microbiology 13: 333–340.
33. Centers for Disease Control and Prevention. 1999. Update: Multi-state outbreak of listeriosis—United States, 1998–1999. Morbidity and Mortality Weekly Report 47(50): 1117–1118.
34. Anderson, G., Contra Costa County Health Department, San Francisco Department of Public Health, L. Mascola, G. W. Rutherford, M. S. Rados, R. Hutchenson, P. Archer, P. Zenker, C. Harvey, J. D. Smith, and CDC. 1992. Update: Foodborne listeriosis—United States, 1988–90, pages 251, 257–258, Morbidity and Mortality Weekly Report.
35. Office of Inspector General, USDA. June 2000. FSIS Implementation of HACCP, Report No. 24001–3–At.

XVIII. Proposed Regulations

List of Subjects

9 CFR Part 301

Meat inspection.

9 CFR Part 303

Meat inspection, Reporting and recordkeeping requirements.

9 CFR Part 317

Food labeling.

9 CFR Part 318

Meat inspection, Reporting and recordkeeping requirements.

9 CFR Part 319

Food grades and standards, Food labeling, Frozen foods, Meat inspection, Oils and fats.

9 CFR Part 320

Meat inspection, Reporting and recordkeeping requirements.

9 CFR Part 325

Meat inspection, Reporting and recordkeeping requirements, Transportation.

9 CFR Part 331

Intergovernmental regulations, Meat inspection.

9 CFR Part 381

Poultry and poultry products inspection, Reporting and recordkeeping requirements.

9 CFR Part 417

Meat inspection, Poultry and poultry products inspection, Reporting and recordkeeping requirements.

9 CFR Part 430

Food labeling, Meat inspection, Poultry and poultry products inspection.

Accordingly, title 9, chapter III, of the Code of Federal Regulations is amended as follows:

PART 301—DEFINITIONS

1. The authority citation for part 301 would continue to read as follows:

Authority: 7 U.S.C. 450, 1901–1906; 21 U.S.C. 601–695; 7 CFR 2.18, 2.53.

2. Section 301.2 would be amended by removing the definitions for ''Process authority'' and ''Process schedule.''

PART 303—EXEMPTIONS

3. The authority citation for part 303 would continue to read as follows:

Authority: 21 U.S.C. 601–695; 7 CFR 2.17, 2.55.

4. In § 303.1(f), the second sentence would be removed.

PART 317—LABELING, MARKING DEVICES, AND CONTAINERS

5. The authority citation for part 317 would continue to read as follows:

Authority: 21 U.S.C. 601–695; 7 CFR 2.18, 2.53.

6. In § 317.2, paragraph (k) and the introductory text of paragraph (l) would be revised to read as follows:

§ 317.2 Labels: definition; required features.

* * * * *

(k) Packaged products which require special handling to maintain their wholesome condition must have prominently displayed on the principal display panel the statement: ''Keep Refrigerated,'' ''Keep Frozen,'' ''Perishable Keep Under Refrigeration,'' or ''Refrigerate after Opening,'' as applicable, or such similar statement as the Administrator may approve in specific cases. Products that are distributed frozen during distribution shall bear the statement on the shipping container: ''Keep Frozen.'' The consumer-size containers for such products that are thawed prior to or during display for sale at retail shall bear the statement ''Previously Handled Frozen for Your Protection, Refreeze or Keep Refrigerated.'' For all perishable canned products the statement shall be shown in upper case letters one-fourth inch in height for containers having a net weight of 3 pounds or less, and for containers having a net weight over 3 pounds, the statement shall be in upper case letters at least one-half inch in height.

(l) Safe handling instructions shall be provided for: All meat and meat products of cattle, swine, sheep, goat, horse, or other equine that do not meet the requirements contained in 9 CFR 430.2 and 430.3(a), except as exempted under paragraph (l)(4) of this section.

* * * * *

PART 318—ENTRY INTO OFFICIAL ESTABLISHMENTS; REINSPECTION AND PREPARATION OF PRODUCT

7. The authority citation for part 318 would continue to read as follows:

Authority: 7 U.S.C. 138f, 7 U.S.C. 450, 1901–1906; 21 U.S.C. 601–695; 7 CFR 2.18, 2.53.

8. Section 318.10 would be removed and reserved.

9. Section 318.17 would be removed and reserved.

10. Section 318.23 would be removed and reserved.

11. Subpart G (§§ 318.300 through 318.311) would be removed.

PART 319—DEFINITIONS AND STANDARDS OF IDENTITY OR COMPOSITION

12. The authority citation for part 319 would continue to read as follows:

Authority: 7 U.S.C. 450, 1901–1906; 21 U.S.C. 601–695; 7 CFR 2.17, 2.55.

13. In § 319.106, paragraph (b) would be removed; paragraph (c) would be redesignated as paragraph (b); and paragraph (d) would be redesignated as paragraph (c).

14. In § 319.145, paragraph (a)(2) would be amended by removing the third sentence.

PART 320—RECORDS, REGISTRATION, AND REPORTS

15. The authority citation for part 320 would continue to read as follows:

Authority: 21 U.S.C. 601–695; 7 CFR 2.18, 2.53.

16. In § 320.1, paragraph (b)(6) and (b)(7) would be removed; paragraph (b)(8) would be redesignated as (b)(6); paragraph (b)(9) would be redesignated as (b)(7); paragraph (b)(10) would be redesignated as (b)(8); and paragraph (b)(11) would be redesignated as (b)(9).

PART 325—TRANSPORTATION

17. The authority citation for part 325 would continue to read as follows:

Authority: 7 U.S.C. 450, 1901–1906; 21 U.S.C. 601–695; 7 CFR 2.17, 2.55.

18. In § 325.7, paragraph (a) would be amended by removing the phrase, ''pork that has been refrigerated to destroy *trichina,''*.

PART 331—SPECIAL PROVISIONS FOR DESIGNATED STATES AND TERRITORIES; AND FOR DESIGNATION OF ESTABLISHMENTS WHICH ENDANGER PUBLIC HEALTH AND FOR SUCH DESIGNATED ESTABLISHMENTS

19. The authority citation for part 331 would continue to read as follows:

Authority: 21 U.S.C. 601–695; 7 CFR 2.17, 2.55.

20. In § 331.5, paragraph (a)(1)(ii) would be amended to remove the phrase, ''or it is a ready-to-eat pork product which has not been treated to destroy *trichinae* as prescribed in § 318.10 of this subchapter for products at federally inspected establishments); or''.

PART 381—POULTRY PRODUCTS INSPECTION REGULATIONS

21. The authority citation for part 381 would continue to read as follows:

Authority: 7 U.S.C. 138f, 450; 21 U.S.C. 451–470; 7 CFR 2.18, 2.53.

22. Section 381.1 would be amended by removing the definitions for ''Process authority'' and ''Process schedule.''

23. In § 381.125, paragraph (a) would be revised to read as follows:

§ 381.125 Special handling label requirements.

(a) Packaged products which require special handling to maintain their wholesome condition must have prominently displayed on the principal display panel the statement: ''Keep Refrigerated,'' ''Keep Frozen,'' ''Perishable Keep Under Refrigeration,'' or ''Refrigerate after Opening,'' as applicable, or such similar statement as the Administrator may approve in specific cases. Products that are distributed frozen during distribution shall bear the statement on the shipping container: ''Keep Frozen.'' The consumer-size containers for such products that are thawed prior to or during display for sale at retail shall bear the statement ''Previously Handled Frozen for Your Protection, Refreeze or Keep Refrigerated.'' For all perishable canned products the statement shall be shown in upper case letters one-fourth inch in height for containers having a net weight of 3 pounds or less, and for containers having a net weight over 3 pounds, the statement shall be in upper case letters at least one-half inch in height.

* * * * *

24.–25. In § 381.125, the introductory text of paragraph (b) would be amended by removing the phrase ''§ 381.150(a) or that have not undergone other processing that would render them ready-to-eat'' and by adding the phrase ''9 CFR 430.2 and 430.3(a)'' in its place.

26. Section 381.150 would be removed.

27. In § 381.175, paragraph (b)(3) would be removed; paragraph (b)(4) would be redesignated as (b)(3); paragraph (b)(5) would be redesignated as (b)(4); and paragraph (b)(6) would be redesignated as (b)(5).

28. Subpart X (§§ 381.300 through 381.311) would be removed and reserved.

PART 417—HAZARD ANALYSIS AND CRITICAL CONTROL POINT (HACCP) SYSTEMS

29. The authority citation for Part 417 would continue to read as follows:

Authority: 7 U.S.C. 450; 21 U.S.C. 451–470, 601–695; 7 U.S.C. 1901–1906; 7 CFR 2.18, 2.53.

§ 417.2 Hazard Analysis and HACCP plan.

30. Paragraph 417.2(b)(3) would be removed.

PART 430—PERFORMANCE STANDARDS

31. A new Part 430 would be established to read as follows:

PART 430—PERFORMANCE STANDARDS FOR READY-TO-EAT AND PARTIALLY HEAT-TREATED PRODUCTS

Sec.
430.1 Definitions.
430.2 Lethality.
430.3 Stabilization.
430.4 Testing for *Listeria spp.*
430.5 Thermally-processed, commercially sterile products.

Authority: 7 U.S.C. 450; 21 U.S.C. 451–470, 601–695; 7 U.S.C. 1901–1906; 7 CFR 2.18, 2.53.

§ 430.1 Definitions.

Acidified product. A commercially sterile and hermetically sealed product that has been formulated or treated so that every component has a pH value of 4.6 or lower within 24 hours after completion of the thermal process unless a longer time has been validated as safe.

Commercial sterility. The condition achieved by the application of a heat, irradiation, high-pressure, or other process, alone or in combination with other ingredients or treatments, to render the product free of microorganisms capable of growing in the product at nonrefrigerated conditions (over 50 °F or 10 °C) at which the product is intended to be held during distribution and storage.

Fermented product. A meat or poultry product that is made ready-to-eat by the process in which bacterial enzymes act on organic substrates, such as carbohydrates, resulting in the production of acid (the lowering of product pH) and microbial inhibition.

Low acid product. A commercially sterile and hermetically sealed product in which any component has a pH value above 4.6.

Ready-to-eat product. A meat or poultry product that can be safely consumed without cooking or application of some other lethality treatment to destroy pathogens.

Worst case product. For purposes of the lethality requirements contained in § 430.2(a)(1), worst case raw poultry contains 6.7-$\log_{10}$ of *Salmonella* in any 143 gram sample and worst case raw meat contains 6.2-$\log_{10}$ of *Salmonella* in any 143 gram sample; for purposes of the lethality requirements contained in § 430.2(b)(1), worst case raw beef contains 4.4-$\log_{10}$ of *E. coli* O157:H7 in any 143 gram sample.

§ 430.2 Lethality.

(a) (1) Processing of any meat or poultry product, except a thermally-processed, commercially sterile product, for the purpose of rendering that product ready-to-eat, must be validated to achieve probabilities no greater than the following that *Salmonella* organisms would remain in any 100 gram sample of finished product, assuming that incoming raw product is worse case product. Any detectable level of viable *Salmonella* organisms adulterates ready-to-eat meat and poultry products.

>0 surviving	>1 surviving	>2 surviving	>3 surviving	>4 surviving
39.4%	9.06%	1.45%	0.177%	0.0174%

(2) Official establishments that do not wish to demonstrate that their processing results in probabilities no greater than the probabilities in paragraph (a)(1) of this section may instead employ processing validated to

achieve either a 6.5-$\log_{10}$ reduction of *Salmonella* throughout a finished, ready-to-eat meat product, or, a 7-$\log_{10}$ reduction of *Salmonella* throughout a finished ready-to-eat product that contains any amount of poultry. Any detectable level of viable *Salmonella* organisms adulterates ready-to-eat meat and poultry products.

(b)(1) In addition to meeting the standard in paragraph (a), of this section processing of any fermented meat or poultry product that contains any amount of beef, except a thermally-processed, commercially sterile product, for the purpose of rendering that product ready-to-eat, must be validated to achieve probabilities no greater than the following that *E. coli* O157:H7 organisms would remain in any 100 gram sample of finished product, assuming that incoming raw product is worst case product. Any detectable level of viable *E. coli* O157:H7 organisms adulterates ready-to-eat meat and poultry products.

>0 surviving	>1 surviving
22.2%	2.67%

(2) Official establishments that do not wish to demonstrate that their processing results in probabilities no greater than the probabilities in paragraph (b)(1) of this section may instead employ processing validated to achieve a 5-$\log_{10}$ reduction of *E. coli* O157:H7 throughout a finished, ready-to-eat meat or poultry product that contains any amount of beef. Any detectable level of viable *E. coli* O157:H7 organisms adulterates ready-to-eat meat and poultry products.

(c) Processing of all ready-to-eat meat and poultry products, other than thermally processed, commercially sterile products, also must be validated to achieve the reduction of other pathogens and their toxins or toxic metabolites necessary to prevent product adulteration.

(d) Processing of all ready-to-eat products, other than thermally processed, commercially sterile products, must be validated to maintain the lethality performance standards throughout product shelf-life under the conditions in which the food is stored, distributed, and held.

§ 430.3 Stabilization.

(a) For all ready-to-eat meat and poultry products, other than thermally processed, commercially sterile products, processing must prevent multiplication of toxigenic microorganisms such as *Clostridium botulinum* and allow no more than 1-$\log_{10}$ multiplication of *Clostridium perfringens* within the product.

(b) For all meat and poultry products that receive a heat treatment but that are not ready-to-eat, processing must prevent multiplication of toxigenic microorganisms such as *C. botulinum* and allow no more than 1-$\log_{10}$ multiplication of *C. perfringens* within the product.

(c) Processing of all ready-to-eat products, other than thermally processed, commercially sterile products, and products that are heat-treated but not ready-to-eat, must be validated to maintain the stabilization performance standards throughout product shelf-life under the conditions in which the food is stored, distributed, and held.

§ 430.4 Testing for Listeria spp.

(a) Each official establishment that produces one or more ready-to-eat meat or poultry products, but that has not identified *Listeria monocytogenes* as a hazard reasonably likely to occur within the HACCP plan for its ready-to-eat product and consequently established one or more controls for *L. monocytogenes* to be implemented after lethality treatment is complete, must test food contact surfaces, on which product is handled after lethality treatment but before final packaging, for *Listeria spp.* at one of the following frequencies depending on establishment size:

(1) If the plant is large (500 or more employees), at least four tests, per line of ready-to-eat product, per month;

(2) If the plant is small (10 to 499 employees), at least two tests, per line of ready-to-eat product, per month;

(3) If the plant is very small (fewer than 10 employees or annual sales of ready-to-eat products less than $2.5 million), at least one test, per line of ready-to-eat product, per month.

(b) Results of the testing required in this section are to be used by official establishments to verify that their Sanitation Standard Operating Procedures (Sanitation SOPs), as required under 9 CFR part 416, are preventing direct contamination or adulteration of product. Results must be made available to FSIS personnel for review. In the event of a positive test result, establishments must take corrective actions under 9 CFR 416.15(a) and (b) that include the following procedures to determine and demonstrate that the affected lot or lots of product are not adulterated with *L. monocytogenes*:

(1) Procedures to determine which lot or lots of product might have been affected;

(2) Procedures to hold, sample, and test that product for *L. monocytogenes*; and

(3) Procedures to dispose of affected product.

§ 430.5 Thermally processed, commercially sterile products.

(a) For a low-acid product that receives thermal or other sporicidal lethality processing, that processing must be validated to achieve a probability of 10^{-9} that there are spores of *C. botulinum* in a container of the product that are capable of growing, or, a 12-$\log_{10}$ reduction of *C. botulinum*, assuming an initial load of ≤ 1000 spores per container.

(b) For acidified products or products in which pathogen growth is controlled by factors other than thermal or other sporicidal processing, the processing must be validated to prevent multiplication of *C. botulinum* in the food under the conditions in which the food is stored, distributed, and held.

(c) The product must be processed to achieve commercial sterility and the container in which the product is enclosed must be hermetically sealed so as to be airtight and to protect the contents of the container against the entry of microorganisms during and after processing.

(d) All operators of processing systems for commercially sterile meat and poultry products and container closure technicians shall be under the direct supervision of a person who has successfully completed a school of instruction that is generally recognized as adequate for training supervisors of canning operations.

Done in Washington, DC on February 16, 2001.

Thomas J. Billy,

Administrator.

The following is an appendix to the preamble of the Proposed Rule.

Note: The following appendix will not appear in the Code of Federal Regulations.

Appendix 1

Executive Order 12866—Preliminary Analysis

This proposed action has been reviewed for compliance with Executive Order 12866. Because this proposed action has been determined to be economically significant for purposes of Executive Order 12866, the Office of Management and Budget has reviewed it.

Proposed Action

FSIS is proposing to amend the Federal meat and poultry inspection regulations by establishing pathogen reduction performance standards for all ready-to-eat (RTE) and all partially heat-treated meat and poultry

products. FSIS also is proposing to require establishments that produce RTE meat and poultry products to conduct food contact surface testing for *Listeria spp.* to verify that they are controlling *Listeria monocytogenes* within their processing environments. Establishments that have developed and implemented HACCP controls for *L. monocytogenes* would be exempt from these testing requirements. Finally, FSIS is proposing to eliminate its regulations that require that both RTE and not-ready-to eat pork and products containing pork be treated to destroy *trichina*; these requirements are inconsistent with HACCP and some will be unnecessary if FSIS makes final the proposed performance standards for RTE meat and poultry products.

Need for the Rule

This proposed action is compelled by recent outbreaks of foodborne illness related to the consumption of adulterated RTE meat and poultry products, as well as by the need to provide objective, measurable pathogen reduction standards that can be met by official establishments and compliance with which can be established through Agency inspection. Although FSIS routinely samples and tests some RTE products for the presence of pathogens prior to distribution, there are no specific regulatory pathogen reduction requirements for most of these products (e.g., there are no existing lethality requirements for products such as hotdogs similar to the lethality performance standards for roast beef). Except for cooked meat patties (which currently have prescriptive time and temperature requirements for lethality), roast beef products (which have the new lethality performance standards), cooked poultry (which have the new lethality performance standards), and canned meat and poultry (which have the current prescriptive process requirements), the remaining RTE meat and poultry products do not have regulation-specified criteria for establishing safe processes other than the products must not be adulterated. Therefore, to ensure the safety of these products, FSIS is proposing performance standards for RTE and partially heat-treated meat and poultry products.

The Sanitation Standard Operating Procedures (SOPs) and HACCP regulations were intentionally written to allow the regulated industry flexibility in the design of their procedures. FSIS is adding, through this proposed rule, minimum criteria to be addressed to prevent post-lethality contamination. In the Sanitation SOPs, the proposed requirements will ensure that establishments maintain minimal specific records and take specific action. If the establishment determines that a hazard is reasonable likely to occur, then the HACCP regulations will be addressed via CCPs and related performance standards, controls, and records.

Performance standards are an integral part of the HACCP systems in official meat and poultry establishments. HACCP provides the framework for industry to set up science-based process controls. Performance standards tell establishments what those controls need to achieve for their HACCP plans to be effective and provide a necessary measure of accountability for achieving acceptable food safety. The proposed performance standards will provide meat and poultry establishments with the incentive and flexibility to adopt innovative, science-based processing procedures and controls; ensure safety for consumers; and provide objective, measurable standards, compliance with which can be determined through Agency inspection. Therefore, FSIS believes that developing HACCP systems around verifiable, objective performance standards is the most effective way for establishments to consistently produce safe, unadulterated meat and poultry products. Furthermore, by proposing performance standards for pathogens whose destruction results in the destruction of most or all other pathogens of concern, FSIS provides a reference for establishments to use in gauging the efficacy of their HACCP systems.

The proposed food-contact surface testing requirements are compelled by the recent *L. monocytogenes* outbreak attributed to contaminated hotdogs and the recent interagency draft risk assessment [1] concerning *L. monocytogenes, which shows that* there is significant opportunity for recontamination of RTE meat and poultry products during processing in the plant, after the lethality is applied. These data indicate that many establishments that produce RTE meat and poultry products are not effectively implementing Sanitation SOPs so as to prevent direct contamination of RTE meat and poultry products by *L. monocytogenes*. Therefore, FSIS is proposing to require that all establishments that produce RTE meat and poultry products conduct environmental testing of food-contact surfaces for *Listeria spp.*, after lethality treatment and before final product packaging, unless they have identified *L. monocytogenes* as a hazard reasonably likely to occur and so have incorporated into their HACCP systems one or more controls validated to eliminate it from their products. This testing will verify that an establishment's Sanitation SOPs are preventing direct product contamination by *L. monocytogenes* after the lethality treatment, thus addressing the draft risk assessment assertion and other research findings that RTE foods often are recontaminated by *L. monocytogenes* after lethality is applied.

In regard to thermally processed, commercially sterile (most often canned) meat and poultry products, the proposed standards represent regulatory reform; they replace lengthy, prescriptive regulations with performance standards that provide the same level of food safety, as well as increased flexibility for establishments to customize their processes under HACCP. *Market Failure*. Market failure occurs here because consumers cannot identify (and reward) those firms that both supply RTE products and implement the desired food safety safeguards and consequently shift consumption away from suppliers of products that may present a threat to public health. These lower cost firms may not apply the most effective pathogen prevention methods and could be supplying a product that could lead to illness or death. Two main problems exist in many cases: lack of definitive cause and effect between consumption of the product in question and the illness or death (information gathering of epidemiological evidence) and difficulty in identifying the source of the original contamination (technical trace-back capabilities). Clearly, no individual consumer who may be stricken with a foodborne illness would have the means to overcome these two problems. The proposed rule tries to remedy this market failure. This is particularly true at this time with respect to *L. monocytogenes*.

Baseline

The most recent year in which both listeriosis cases and economic background information on the affected industries are available is 1997. The baseline analysis assumes that if no regulatory-induced producer actions took place, these baseline values would persist annually over a 10-year period. The analysis then proceeds by introducing only those changes that are projected to occur as a result of provisions of the proposed rule. Once these provisions come into effect, benefits accrue in the form of gradually reduced annual numbers of listeriosis cases and deaths, while costs are registered in the form of higher compliance and operating costs. This *ceteris paribus* assumption (all else held constant while allowing for a change in one variable at a time) and use of a static baseline avoids the thorny issue of forecasting the nature and magnitude of non-regulatory induced industry and food safety changes over this period not related to changes in regulatory requirements. Both the *ceteris paribus* assumption and the static baseline are standard analytical techniques used in economic analysis.[2] Section A discusses the nature of the industries likely affected by the proposed rule (numbers and size of establishments and type of products produced). This discussion is followed by a discussion of the current regulatory environment that these establishments operate within. Section C presents the baseline level of listeriosis cases and deaths which anchors the expected benefits of the proposed rule.

A. The Nature of the Industries Affected and Current Industry Practices

The 1997 Census of Manufacturers identifies 1630 establishments that could be affected by the proposed rule. For this analysis, these establishments are broken down into four broad groups differentiated by the estimated costs of compliance with all of the proposed provisions. The groups that would incur the greatest costs include establishments that may have to revise their HACCP plans and Sanitation SOPs in order to comply with both the proposed performance standards and testing requirements. The number of establishments,

[1] Center for Food Safety and Applied Nutrition, FDA, and FSIS, ''Draft Risk Assessment of the Public Health Impact of Foodborne *Listeria monocytogenes*,'' January 19, 2001.

[2] Samualson and Nordhaus, Economics, 16th Edition, McGraw Hill Publishers, 1998.

the types of products shipped, and value of shipments of these groups are summarized below (Table 1). The total value of shipments of all of the products in 1997 totaled around $28 billion.[3]

These groups are further broken down into sub-groups where appropriate.

The main product groups (and sub-groups, if appropriate) are:

Group I, those entities that likely will incur the greatest costs and which are further broken down into:

Sub-group 1, RTE fermented, dried, and salt cured meat and poultry products;

Sub-group 2, RTE hotdogs and wieners;

Sub-group 3, RTE frozen meat and poultry patties; and,

Sub-group 4, RTE smoked hams and poultry luncheon meats;

Group II, those entities that likely will incur moderate costs and which are further broken down into:

Sub-group 1, meat processing establishments that make RTE boiled hams, other sausages, and other frozen or cooked meats, such as barbecue pork;

Sub-group 2, poultry processors that make RTE jellied goods and other processed poultry products, including pâté and spreads; and

Sub-group 3, combo plants who produce both RTE meat and poultry;

Group III, those entities that likely will incur minor costs; representative products include RTE frozen dinners, pizzas, and other frozen meat and poultry products; and

Group IV, those entities likely will incur no costs; representative products include RTE canned meat and poultry products.

TABLE 1.—NUMBER, TYPE OF MEAT AND POULTRY PRODUCTS (MPP'S) SHIPPED, AND VALUE OF PRODUCT SHIPMENTS BY ESTABLISHMENT GROUPING, 1997

Group—subgroup	Number of MPP's (% of total)	Value of shipments in millions (% of total)	Combo plants that slaughter and process meat (% of total)	Processors (% of total)			Examples of MPP's shipped
				Meat *	Poultry	Others **	
I–All	584 (36%)	10537 (37%)	77 (5%)	421 (26%)	86 (5%)	0	Fermented, acidified, dried, salt-cured products, hotdogs, meat patties, and luncheon meats.
I–1	150 (9%)	1590 (6%)	28 (2%)	122 (7%)	0	0	[Fermented] dry or summer sausage, salami, cured smoked sticks, Lebanon bologna, pepperoni, chorizo, poultry mortadella, chicken/turkey salami; [Dried] beef jerky, dried beef or pork sticks, dried beef slices, carne seca, basturma, soujouk, manneh dry duck breast, poultry jerky; [Salt cured] country cured ham, coppa, cappicola, prosciutto, pancetta, dry cured duck; [others] pickled pigs feet, pickled meat/sausages, chorizo with added vinegar, Hickory farm beef sticks.
I–2	167 (10%)	2365 (8%)	18 (1%)	112 (7%)	37 (2%)	0	Frankfurters and wieners, turkey and chicken franks.
I–3	76 (5%)	528 (2%)	0	76 (5%)	0	0	Sausage or meat and poultry patties, fully cooked, uncured meat patties.
I–4	191 (12%)	6054 (21%)	31 (2%)	111 (7%)	49 (3%)	0	Pastrami, bologna, roast beef, bratwurst, bockwurst, poultry and meat roll products.
II–All	791 (49%)	12539 (44%)	76 (5%)	551 (34%)	164 (10%)	0	Otherwise processed meat and poultry products.
II–1	551 (34%)	4883 (17%)	0	551 (34%)	0	0	Beef burritos, corned beef, chili, frozen entrees and meat soups, breakfast link, meatballs, ravioli, pork and beans, some poultry rolls, other cooked poultry, pâté, meat and poultry spreads, turkey BBQ, uncured meat products, i.e. beef stew.
II–2	164 (10%)	6696 (24%)	0	0	164 (10%)	0	
II–3	76 (5%)	960 (3%)	76 (5%)	0	0	0	D.
III	104 (6%)	2979 (11%)	0	0	0	104 (6%)	Frozen pizza with meat toppings; frozen entries.

[3] These data were extrapolated from the 1997 Census of Manufacturers. The actual data reported over $30 billion in shipments, involving 1320 establishments, but did not account for several important factors: specific volumes of product shipments with meat and poultry, i.e., pizza, dinner entries, canned product shipments with meat and/or poultry; scant information on size distribution; and many missing values for important product classes. In general, about 80 percent of these establishments produce mostly cooked and otherwise processed meat and poultry products; the other 20 percent produce fermented, acidified, dried, salted cured, and canned meat and poultry products.

TABLE 1.—NUMBER, TYPE OF MEAT AND POULTRY PRODUCTS (MPP'S) SHIPPED, AND VALUE OF PRODUCT SHIPMENTS BY ESTABLISHMENT GROUPING, 1997—Continued

Group—subgroup	Number of MPP's (% of total)	Value of shipments in millions (% of total)	Combo plants that slaughter and process meat (% of total)	Processors (% of total)			Examples of MPP's shipped
				Meat *	Poultry	Others **	
IV	151 (9%)	2165 (8%)	0	26 (2%)	4 (-%)	121 (7%)	Canned products such as canned Poultry spreads and spaghetti sauce.
Total ...	1630	28220.0	153 (9%)	998 (61%)	254 (16%)	225 (14%)	All of the Above.

* These processors make product from received meat carcasses and/or slaughter and process.
** Others include canners, frozen food makers, and other prepared food manufacturers.

Group I

Within Group I, 150 establishments produce fermented, dried, and salt cured meat and poultry products (Sub-group 1). These establishments make up nine percent of the total number of establishments potentially affected by this proposed rule and ship out about six percent of the total value of shipments. Over eighty percent of these establishments are processors, over 95 percent of who employ fewer than 500 employees.

The second sub-group within Group I consists of 167 establishments that make wieners and frankfurters. Eleven percent of these establishments are combo plants, 67 percent are meat processors, and 22 percent are poultry processors.

The third sub-group of 76 establishments within Group I produce meat patties, some partially or fully cooked; all are classified as meat processors by the Census. Almost all (98 percent) employ fewer than 500 employees.

The final sub-group in Group I consists of 191 establishments that make pastrami, bologna, roast beef, bratwurst, bockwurst, smoked hams and picnics, and smoked poultry. Fifty-eight percent of the establishments are meat processors; 16 percent, meat and poultry combo plants; and 26 percent, poultry processors. Overall, eighty-nine percent are small to mid-sized processors.

Group I also can be broken down into groups by type of processing and whether they produce meat or poultry products. As a whole, 87 percent (507) are processors (421 meat and 86 poultry processors). Ninety-eight percent of the meat processors are made up of either very small (employing fewer than 10 employees) or small (employing more than 10, but fewer than 500 employees) operations, with 36 percent being very small and 62 percent being small operations. Only 2 percent of the establishments are considered large (employing more than 500 employees). Poultry processors are structured somewhat differently with 15 percent, being very small; 49 percent, small; and, 36 percent, large. Combining both meat and poultry processors gives a slightly different picture of the structure of processing with 32 percent classified as very small; 60 percent, small; and, 8 percent, large. The remaining 77 establishments (13 percent) in Group I are combo plants (which slaughter animals and process meat products). On average, these establishments have a smaller scale of operation than the group as a whole, with 53 percent being very small; 38 percent being small; but 9 percent, being large.

Group II

These 791 establishments consist of just over 50 percent of the *total number* of establishments and produce about 45 percent of *total value* of product shipments (boiled hams, other smoked pork and poultry products, other sausages, jellied goods, and other meat and poultry products). Many of these products are used in the manufacture of other food products or sold to distributors for direct use by consumers. Seventy percent of these establishments are meat processors (551); 20 percent (164) poultry processors; and, 10 percent (76) combo plants.

Sub-group 1 of Group II is composed of the 551 meat processing establishments making boiled hams, other sausages, and other frozen or cooked meats, such as barbecue pork. Sixty-two percent (339) of these establishments are classified as small operations. Two percent (12 establishments) are large, while the reminder (36 percent or 200 establishments) are very small.

Sub-group 2 of Group II consists of the twenty-percent (164) of the establishments that are poultry processors. Forty-eight percent (79) of these establishments are classified as small operations. Fifteen percent (25) are very small, while 37 percent (60) are large operations. The main products produced by these establishments include jellied goods and other processed poultry products.

The remaining 10 percent (76) of the establishments in Group II are combo meat plants (Sub-group 3). Seven percent (5) of these establishments are classified as large operations, while the majority (55%) are very small and another 38 percent are small.

Group III

These 104 establishments make frozen dinners, pizzas, meat and poultry pies, and nationality foods containing meat and/or poultry. They make up roughly 7 percent of the total number of establishments and ship out over 10 percent of the total value of product shipments.

Group IV

These 151 establishments produce canned products that contain meat and poultry products. These establishments make up over 9 percent of the total number of establishments and about 8 percent of the total value of shipments.

B. Current Regulatory Environment

Currently, all environmental testing for *Listeria* and the development of either a Sanitation SOP measure or CCP for *Listeria* is completely voluntary. Since 1987, FSIS has conducted a microbiological testing program in which the Agency randomly samples, in-plant, RTE meat and poultry products produced in federally inspected establishments for *L. monocytogenes,* including cooked and fermented sausages, cooked corned beef, sliced ham and luncheon meats, beef jerky, cooked uncured poultry, and salads and spreads. FSIS treats RTE products in which *L. monocytogenes* is found as adulterated under the FMIA or the PPIA (21 U.S.C. 453(g) or 601(m)).

A recent industry survey gives some indication on the extent of current environmental testing for *Listeria*.[4] This survey was conducted to determine what types of actions establishments took in response to the FSIS **Federal Register** Notice of May 26, 1999 (64 FR 28351), asking establishments that produce RTE meat and poultry products to reassess their HACCP plans to determine if *L. monocytogenes* was a hazard reasonably likely to occur in their processing. Because the respondents to this survey represent only a small proportion of the total number of establishment that would affected by the proposed regulations, the survey results may not reflect a representative sample of the total population. Nonetheless, these data represent the most comprehensive available that reflects current industry practices.

Approximately 308 establishments were contacted for the survey. Of 271 respondents, 67 percent had an end-product testing program for *Listeria* (88 percent of large plants, 64 percent of small plants and 27 percent of very small plants). Over 90 percent of the respondents conducted some type of

[4] The industry survey was sponsored by: National Food Processors Association (NFPA), American Meat Institute (AMI), National Turkey Federation (NTA), National Chicken Council (NCC), National Meat Association (NMA), North American Meat Processors (NAMP), Southwest Meat Association (SMA), and American Association of Meat Processors (AAMP).

environmental testing (100 percent of large plants, 92 percent of small plants, and 41 percent of very small plants). These survey results suggests that most large establishments conduct both product and environmental testing while many small and very small firms do not.

The industry survey also found almost all (97%) of the large establishments conducted at least some type of environmental microbiological testing before the reassessment, but still, 39 of the 74 large establishments, 58 of 193 small establishments, and only one of 22 very small establishments added a CCP to their HACCP plan in response to the reassessment (Table 2).

TABLE 2.—ESTIMATED ESTABLISHMENTS ADDING LM CONTROL MEASURES AS A RESULT OF LM REASSESSMENT, SPRING 2000

Firm size	Add CCP addressing LM	Total number of establishments	Percent Adding LM-related measures to their HACCP plans
Large	39	74	52.70
Small	58	193	30.05
Very Small	1	22	4.55
Total	98	289	33.91

Survey sponsored by: NFPA, AMI, NTF, NCC, NMA, NAMP, SMA, and AAMP.

The CCP addressing *L. monocytogenes* may or may not have included testing, but involved remedial type actions, such as increased use of disinfectants on processing surfaces. However, it does mean that more than half of the establishments had not included *L. monocytogenes* concerns in their HACCP plan before reassessment even though microbiological testing was being conducted. Even after reassessment when these additional establishments identified *L. monocytogenes* concerns in their HACCP plans, microbiological testing programs were included in only 21 percent of the establishments' HACCP plans (or in 15 establishments' HACCP plans) and 41 percent of the Sanitation SOPs of the establishments in this size category (Table 3, below).

TABLE 3.—PERCENT OF ESTABLISHMENTS SURVEYED WITH MICROBIOLOGICAL TESTING PROGRAMS AS PART OF EITHER THEIR SANITATION SOPS OR HACCP PLANS, SPRING 2000

Firm size	SSOPs	HACCP	Either SSOP or HACCP
Large	41	21	62
Small	41	24	65
Very Small	60	25	85
Weighted Average	43	23	66

Survey sponsored by: NFPA, AMI, NTF, NCC, NMA, NAMP, SMA, and AAMP.

Over 80 percent of the small establishments in the survey that conduct some type of environmental microbiological testing, did so prior to the reassessment. After reassessment, 58 out of the 193 small establishments added a CCP addressing *L. monocytogenes* to their HACCP plans. Microbiological testing was included as part of 24 percent of these HACCP plans. Microbiological testing was included in 41 percent of the Sanitation SOPs. Of the very small establishments, only one added a CCP addressing *L. monocytogenes* to their HACCP plan out of the 22 establishments surveyed. After reassessment, microbiological testing programs were part of 25 percent of the establishments' HACCP plans in this size category and 60 percent of the Sanitation SOPs of the establishments in this size category. In general, the survey results suggest that many establishments have identified *L. monocytogenes* as an important pathogen of concern and have included remedial measures in either their Sanitation SOPs or CCPs in their HACCP plans and that microbiological testing is more likely to be incorporated in Sanitation SOPs than as part of a CCP in a HACCP plan.

C. Baseline Number of Listeriosis Cases and Deaths and the Potential Benefits From the Proposed Rule

FSIS presents two baselines below for potential benefits from the proposed rule. The first baseline is derived entirely from the FDA–FSIS draft risk assessment. The second baseline is constructed from two independent CDC-based studies. FSIS'' intent is to present a range of possible benefits.

Baseline 1

The baseline numbers of listeriosis cases and deaths are taken directly from the recent FDA–FSIS interagency draft risk assessment, mainly Appendix 9, Table 1. The FDA–FSIS draft risk assessment ranks 20 categories of foods and provides a rigorous, systematic assessment of the scientific knowledge to predict the relative public health impact of exposure to *L. monocytogenes*. The FDA–FSIS draft risk assessment shows that the following five factors affect the contamination levels at the time of consumption: (1) the frequency and extent of contamination at retail; (2) consumption habits; (3) the growth potential of *L. monocytogenes* in foods; (4) consumer storage practices; and (5) refrigeration temperatures. The results of the FDA–FSIS draft risk assessment estimates 2540 annual median U.S. listeriosis cases of which 1659 (65.3 percent) are attributable to the consumption of RTE meat and poultry products.

The FDA–FSIS draft risk assessment not only provides the most recent and complete analysis on sporadic U.S. listeriosis cases by general product group, but it also provides insights into several commodities' relative risk rankings and their contribution to the total U.S. number of listeriosis cases. Deli-meats present the most prominent risk to all sub-populations (Intermediate Age, Elderly, and Perinatal), and are likely responsible for 1446 median U.S. listeriosis cases (58.9 percent of the U.S. total), or 88.9 percent of the listeriosis cases attributable to RTE meat and poultry products.

Other specific products within the meat and poultry product category identified by the FDA–FSIS draft interagency risk assessment as posing a risk related to listeriosis are: deli salads containing meat and poultry products (at the median, 3.8% of all listeriosis cases or 5.8% of listeriosis cases attributable to RTE meat and poultry products); frankfurters (at the median, 3.5 and 5.4 percent, of the total and all RTE meat and poultry products listeriosis cases, respectively); paté (at the median, 0.9 and 1.4 percent, respectively, for total and all RTE

meat and poultry products listeriosis cases); and, dry fermented sausage (at the median, 0.2 and 0.3 percent, respectively, for total and all RTE meat and poultry products listeriosis cases). The FDA–FSIS interagency draft risk assessment model anchors the median number of listeriosis cases on epidemiologic surveillance data (FoodNet) without bounding the 5th and 95th percentiles of the estimated number of cases attributable to each product category. Table 4, based on the FDA–FSIS interagency draft risk assessment, provides the total number of listeriosis cases across age groups for each product category for the 5th and 95th percentiles:

TABLE 4.—SUMMARY FDA–FSIS DRAFT RISK ASSESSMENT RESULTS CONCERNING TOTAL PREDICTED US LISTERIOSIS CASES OF FOODBORNE ORIGIN

Product category	Statistics [1]			Relative risk ranking [2]			Etiologic fraction of cases attributed to each product category at the 5th and 95th percentiles [5]		As a percent of total cases in their product class
	5th	95th	Med.[4]	1	2	3	5th	95th	Med.
Smoked Seafood	1	2464	33	6	6	7	1	1	61
Raw Seafood	0	35	0	17	20	17	0	0	0
Preserved Fish	0	300	3	13	13	13	0	0	6
Cooked Crustaceans	0	1415	18	9	8	9	0	1	33
Total Seafood	1	4214	54	Vary	Vary	Vary	1	2	100
Vegetables	0	7311	15	11	9	11	0	4	87
Fruits	0	900	2	16	14	14	0	1	13
Vegetables/Fruits	0	8211	17	Vary	Vary	Vary	0	5	100
Dairy Products	26	19481	523	Vary	Vary	Vary	28	12	NA
Frankfurters	3	6324	90	4	5	4	3	4	5
Dry/Semi-Dry Fermented Sausages	0	631	5	12	12	12	0	0	0
Deli Meats	50	98261	1446	1	1	1	55	59	87
Pâté and meat spread	1	1152	23	8	7	8	1	1	1
Meat or Poultry Deli Salad [3]	3	7146	96	2	3	3	3	4	6
Total RTE Meat and Poultry Products	57	113514	1660	Vary	Vary	Vary	62	68	100
Non-Meat or Poultry Deli Salad	5	21437	287	2	3	3	2	13	NA

[1] Horizonal summation of listeriosis cases across age group for each product category in Table 1, Appendix 9 of the FDA–FSIS interagency draft risk assessment (page 342).
[2] 1= Intermediate; 2= Elderly; and, 3=Peri-natal. The relative risk ranking is taken directly from Table V–3 of the FDA–FSIS interagency draft risk assessment (p. 108).
[3] Meat deli salad estimate is based on FDA–FSIS draft risk assessment estimate of 26 deaths from deli salads and assuming that 25 percent is due to deli salads containing meat and poultry product's (their relative proportion of total deli salad consumption).
[4] Med. = Median.
[5] The etiologic fraction is calculated as the proportion of listeriosis cases associated with each product category at the 5th and 95th percentiles.

The number of listeriosis cases attributable to ready-to-eat meat and poultry products is 62% (1562 cases) at the 5th percentile and 68.0% (1727 cases) at the 95th percentile based on a median number of annual cases (2540 cases). This sensitivity about the median number of listeriosis cases attributable to meat and poultry products was calculated by summing the number of listeriosis cases attributable to each meat and poultry product category (frankfurters, dry and semi-dry sausage, deli meats, and pate and meat spreads) and 25% (based on one-fourth of all deli salad servings containing meat and poultry products, CSFII 1994–1996 survey data) of the deli salad category [5] for the 5th and 95th percentile. The total number of listeriosis cases attributable to meat and poultry products for each product category in the 5th percentile was divided by the total number of listeriosis cases for all RTE products at the 5th percentile. A similar calculation was done at the 95th percentile. These etiologic fractions of the number of listeriosis cases provide a plausible range for the estimated number of listeriosis cases attributable to RTE meat and poultry products.

FDA–FSIS interagency draft risk assessment reports results for three specific age groups: perinatal (which includes fetuses and newborns from 16 weeks after fertilization to 30 days after birth), elderly (which includes people 60 or more years of age), and intermediate age (everyone else). The FDA–FSIS interagency draft risk assessment model predicts the number of deaths associated with each RTE food category. The estimated number of listeriosis cases presented in the FDA–FSIS draft risk assessment (Table 1, Appendix 9) is based on the assumption of an overall case-fatality rate of 0.20.[6] This assumption is supported by a study of foodborne illnesses in the United States, Mead et al. (1999), which is based on published reports and unpublished CDC data, and is consistent with epidemiololgic surveillance case-fatality data across all age groups (Table 5).

[5] One-fourth of all deli salads consumed contain RTE meat and poultry products based on the 1994–1996 Continuing Survey of Food Intakes by Individuals used in the FDA–FSIS interagency risk assessment.

[6] The number of neonatal deaths was multiplied by 2.5 to adjust the combined prenatal and neonatal deaths to a case-fatality rate constrained at approximately 20% in the FDA–FSIS interagency risk assessment. This adjustment was made to account for underreporting of prenatal infections resulting in premature termination of pregnancy.

TABLE 5.—LISTERIA CASES BY AGE CLASS AND YEAR

Age class	1996	1997	1998	1999	1996–99	% Cases	Perinatal adjustment factor
0–1, unadjusted	8	5	10	12	35	.....	2.5
Perinatal, adjusted	20	13	25	30	88	20	.....
1–9	1	2	1	3	7	2	.....
10–19	3	1	2	1	7	2	.....
20–29	4	3	6	5	18	4	.....
30–39	6	9	13	7	35	8	.....
40–49	3	6	6	8	23	5	.....
50–59	4	9	13	16	42	10	.....
>60	37	42	61	48	188	45	.....
''Unknown''	0	0	0	14	14	3	.....
Totals	78	85	127	132	422	100	.....

There is some uncertainty surrounding the assumed 20 case-fatality rate. The FDA-FSIS interagency draft risk assessment observes that if the susceptibility among the three age-based groups varies, then the ratio of serious illness to mortality may differ among these groups. This is consistent with epidemiologic data for listeria mortality age distribution unadjusted for underreporting and mis-classification of pre-natal cases. Other considerations include the fact that epidemiolgic surveillance data do not count unborn fetuses as deaths, but as miscarriages and stillbirths, which may contribute to underreporting within this age category (PHS, 1994).

The epidemiologic data also contains cases with an ''unknown'' age. In the 1999 data, there were 14 cases reported as ''unknowns.'' Epidemiologists at the FoodNet sites indicated that the ''unknown'' ages resulted from database errors and are not a result of a systematic classification error.

Table 6 presents the *Listeria* mortality age distribution, unadjusted for the underreporting or mis-classification of pre-natal cases (the ''unknowns'' age cases were not included in the data set). This unadjusted data suggests and overall case-fatality rate of 15%, and substantial variation of the case-fatality among the age categories.

TABLE 6.—LISTERIA MORTALITY AGE DISTRIBUTION, UNADJUSTED FOR UNDER-REPORTING OF PRE-NATAL CASES

Age class (yrs)	Dead	Total cases	Mortality
0–1	1	23	4
1–9	0	4	0
10–19	0	6	0
20–29	0	13	0
30–39	1	28	4
40–49	3	15	20
50–59	4	26	15
>60	29	140	21
Totals	38	255	15

Source: FoodNet 1996–98, unpublished CDC data.

While it is unlikely that all of the ''unknown'' age cases would be in the perinatal category due to National Health Statistics standards for classification of fetal deaths, a bound for the largest possible case-fatality rate can be derived with the 14 ''unknown'' age cases in this age category as seen in Table 7.

TABLE 7.—LISTERIA MORTALITY AGE DISTRIBUTION, ADJUSTED FOR UNDER-REPORTING OF PRE-NATAL CASES

Age class (yrs)	Dead	Total cases	% Mortality
Perinatal	15	37	41
1–9	0	4	0
10–19	0	6	0
20–29	0	13	0
30–39	1	28	4
40–49	3	15	20
50–59	4	26	15
>60	29	140	21
Totals	52	269	19

While the estimated overall case-fatality rate of 19% is consistent with the Mead et al. (1999) estimate of 20%, uncertainty regarding the age-specific case-fatality rate due to misclassification and underreporting remain.[7] Given disparate opinions on case-fatality rates by age group, it is difficult to come up with a point estimate for benefit of this rule based on available data. However, the following preliminary benefits analysis provides two point estimates based on two baseline approaches. It should be noted that there is considerable uncertainty in the benefits analysis below, which is recognized throughout this section and again addressed in the ''Uncertainty'' section.

Attaching Economic Value to the Number of Listeriosis Cases and Deaths

The listeriosis cases and deaths attributable to RTE meat and poultry products estimates derived from the FDA–FSIS draft risk assessment establish the number of lives lost and those temporarily hospitalized or unable to work as a result of illness. This cost may be measured in lost productivity and in medical costs incurred. The Economic Research Service has conducted research on the method. However, given many uncertainties, FSIS is not monetizing the values associated with reducing listeriosis cases and deaths. FSIS requests comment on appropriate methods to value listeriosis cases and deaths.

Baseline 2

This second baseline derives the number of listeriosis cases and deaths from two independent studies: one by Olsen[8] and one by Mead.[9]

The Olsen Study: Olsen estimated the number of cases and deaths from all foodborne diseases in several U.S. states and found that meat and poultry products were responsible for 8 to 20 percent of all foodborne cases and deaths, respectively (Table 8).

TABLE 8.—NUMBER OF U.S. FOOD BORNE DISEASE OUTBREAKS, CASES, AND DEATHS BY VEHICLE OF TRANSMISSION

Year	All known food borne diseases			Meat and poultry products			Percent attributable to meat and poultry products		
	Outbreaks	Cases	Deaths	Outbreaks	Cases	Deaths	Outbreaks	Cases	Deaths
1993	489	17477	9	28	1797	5	6	10	56
1994	653	16234	3	51	1804	1	8	11	33
1995	628	17800	11	35	1144	1	6	6	9
1996	477	22607	4	23	992	0	5	4	0
1997	504	11940	2	31	972	0	6	8	0
Total	2751	86058	29	168	6709	7	6	8	24
5-yr Avg.	550	17212	6	33.6	1342	1	6	8	20

Source: Surveillance for Food borne Disease Outbreaks—United States, 1993–1997. Olsen, Sonja et al.—— See tables 17 to 21.

If the percentage of listeriosis cases and deaths attributable to meat and poultry products is the same as the percentage attributable to foodborne diseases, the 8-percent estimate from the Olsen study can be used to estimate the number of listeriosis cases and deaths due to consumption of RTE meat and poultry products.[10] This assumption may not be accurate. Olsen's study is a summary of reported foodborne disease outbreaks. However, FoodNet surveillance data indicate that the majority of listeriosis cases are sporadic with no identified link to any other case. Furthermore, sporadic disease may reflect entirely different food vehicles, mechanisms, or sources of infection than those responsible for outbreaks.

With these reservations in mind, FSIS applied the 8-percent estimate from the Olsen study to the Mead data (2500 cases and 499 deaths) for listeriosis (after developing a 5-year time series set of estimated listeriosis cases and deaths), which gave an average annual listeriosis case and death load of 186 and 38, respectively (Table 9). For example, the 1993 estimate of listeriosis cases and deaths was calculated by multiplying 0.08 times 2359 (189) and 0.08 times 745 (60), respectively for cases and deaths.

TABLE 9.—ESTIMATED NUMBER OF U.S. FOOD BORNE DISEASE CASES AND DEATHS: TOTAL FROM ALL PATHOGENS, TOTAL FROM LM, TOTAL FROM LM IN RTE MEAT AND POULTRY PRODUCTS (MPP'S) FOOD PRODUCTS AS DERIVED FROM A /COMBINATION OF THE MEAD-OLSEN STUDIES

Year	Cases and deaths from all food borne diseases		Listeriosis cases and deaths through food borne sources		Listeriosis cases and deaths through MPP's		Listeriosis cases and deaths through RTE MPP's	
	Cases [1]	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
1993	11796975	2700	2359	745	189	60	170	54
1994	10957950	900	2192	248	175	20	158	18
1995	12015000	3300	2403	911	192	73	173	66
1996	15259725	1200	3052	331	244	26	220	24
1997	8059500	600	1612	166	129	13	116	12
Total [2]	58089150	8700	11618	2401	929	192	837	174
5-yr Avg.	11617830	1740	2324	480	186	38	167	35

[1] It is assumed that the terms, illnesses as in Mead et al., and cases in Olsen et al., report, can be used interchangeably.
[2] May not add due to rounding.

[7] Public Health Service, Medical Examiners' and Coroners' Handbook on Death Registration and Fetal Death Reporting. (Reprinted 1994).

[8] Olsen, Sonja, et al., ''Surveillance for Food borne Disease Outbreaks—United States, 1993–1997,'' *Morbidity and Mortality Weekly Report,* March 17, 2000.

[9] Mead, Paul S., et al., ''Food-Related Illness and Death in the United States,'' *Emerging Infection Diseases,* 5:5, September–October, 1999.

[10] Originally, deaths were calculated using the 0.276 estimate, but was found to produce an unrealistically high level of deaths. The 0.08 estimate produced results more in line with the number of listeriosis deaths reported by Mead.

Finally, the estimated number of cases and deaths due to listeriosis attributable to meat and poultry product consumption must reflect only that portion that is RTE. One method to do this is simply to assume that 90 percent of the meat and poultry product listeriosis cases and deaths are linked to RTE food products. Obviously this estimate is completely arbitrary. FSIS does not contend that this is an accurate depiction: therefore, FSIS solicits comments. Using this estimate, the number of listeriosis cases and deaths attributable to RTE meat and poultry product consumption is estimated at 167 and 35, respectively. Also, FSIS considered making an adjustment factor for the effectiveness of the provisions in the proposed rule. Again, FSIS is unsure how such an adjustment factor would be constructed, but recognizes that not all listeriosis cases and deaths could be totally eliminated by provisions in the proposed rule. FSIS requests comment on the efficacy of the proposed testing provisions.

Request for Comment

FSIS solicits comments and suggestions concerning the issues of the baseline number of listeriosis cases and deaths attributable to RTE meat and poultry products and the effectiveness of measures prescribed by the proposed rule. Notably, the recent FDA–FSIS draft risk assessment estimated that 65.3 percent of all U.S. listeriosis cases and deaths (or 1660 cases and 322 deaths per year) are attributable to the consumption of RTE meat and poultry products. The number of cases and deaths estimated by the FDA–FSIS draft risk assessment are 9.9 times greater than the estimated numbers obtained from the second baseline. FSIS welcomes comments and suggestions on the kinds of data and information needed to construct alternative baselines and sensitivity approaches to test baseline listeriosis cases and deaths and program effectiveness.

Projected Industry Costs

1. Mandatory Food Contact Surface Testing for Listeria spp.

FSIS is proposing to require that all establishments that produce RTE meat and poultry products conduct environmental testing of food-contact surfaces for *Listeria spp.*, after lethality treatment and before final product packaging, unless they have identified *L. monocytogenes* as a hazard reasonably likely to occur and so have incorporated into their HACCP systems one or more controls validated to eliminate it from their products. This testing will verify that an establishment's Sanitation SOPs are preventing direct product contamination by *L. monocytogenes* after the lethality treatment, thus addressing the risk assessment assertion that RTE foods often are recontaminated by *L. monocytogenes* after lethality is applied.

After an establishment finds one of its food contact surfaces to be positive for *Listeria spp.,* it must take corrective actions defined in its Sanitation SOPs that must include product testing, as well as any other activities that it deems necessary to determine and demonstrate that the affected lot or lots of product are not adulterated with *L. monocytogenes.* The establishment must have in place procedures: to determine which lots of product might be affected; to hold, sample, and test that product; and to dispose of affected product appropriately.

Establishments can be expected to face at least three potential cost impacts due to mandatory food contact surface testing for *Listeria spp.* testing. These potential impacts could arise from: (1) the need to make major revisions in their HACCP plan(s); (2) additional verification testing; and, (3) the need to make major changes in their production process and/or production output mix.

The first and second impacts are closely related because the firms that elect to revise their HACCP plan to incorporate a CCP addressing *Listeria* will not be required to test for it at the prescribed level for those incorporating *Listeria* testing in the Sanitation SOPs. HACCP provides the opportunity for greater latitude in establishing more science-based verification approaches, which may include testing. Thus, some estimate on the number of firms expected to incorporate a CCP addressing *Listeria* as a result of this provision is necessary for this analysis to proceed. The higher this estimate, the higher will be the expected costs to validate needed HACCP modifications, and lower will be the expected costs of the proposed testing requirements.

The third impact stems from the decision by some establishments to drop certain RTE meat and poultry products (or drop out of production altogether). This decision would be due to persistently high rates of positive *Listeria spp.* food contact surface testing results and the subsequent increased amount of product being held while awaiting confirmation that positive food contact surface test results for *Listeria spp.* did not result in contaminated product.

This creates the prospect of an additional fourth potential impact: the potential increased cost associated with greater volumes of product held by establishments in a ''test and hold'' pattern. These costs are expected to be particularly relevant to those firms experiencing very poor testing results, presumably as a result of inadequate sanitation controls. These costs are discussed separately in the section entitled ''C. Projected Costs Associated with Expected Production Adjustments.'' There, FSIS explains that establishments that encounter ''Stage 2'' and ''Stage 3'' type problems with chronic *Listeria spp.* or *L. monocytogenes* contamination either incur substantial remediation costs or elect to exit RTE meat and poultry product production. FSIS lacks data to adequately estimate the volumes of product that establishments may have to test and hold and the resulting costs. See the section entitled ''Uncertainty'' for further discussion.

Each of the three cost impacts is discussed below.

A. Projected Costs Associated With HACCP Plan Validation

FSIS estimates that currently 397 establishments have a CCP addressing *Listeria* in their HACCP plan and that 257 additional establishments will do so as a result of the proposed rule. That is, the number of establishments with a CCP addressing *L. monocytogenes* is projected to increase nearly 65 percent as a result of this provision of the proposed rule (from 397 to 654). FSIS bases these estimates on judgment and information presented previously in the discussion on baseline industry practices. Main factors considered in FSIS's estimates pertaining to current and projected behavior related to firms' decision to modify their HACCP plans include:

- FSIS estimates that the percentage of the large establishments, excluding canners, that have a CCP addressing *L. monocytogenes* in their HACCP plans will increase from 50 to 100 percent (from 67 establishments to 133 establishments) [11] as a result of the proposed rule;
- FSIS estimates that the percentage of the small establishments, excluding canners, that have a CCP addressing *L. monocytogenes* in their HACCP plans will increase from 33 to 50 percent (from 280 establishments to 420 establishments) as a result of the proposed rule; and,
- FSIS estimates that the percentage of the very small establishments, excluding canners, that have a CCP addressing *L. monocytogenes* in their HACCP plans will increase from 10 to 20 (from 51 establishments to 101 establishments) percent as a result of the proposed rule.

The net results on the number of establishments with a CCP addressing *Listeria* in response to the proposed rule is given in Table 10 below. FSIS has excluded canners from total in the following table (resulting in a grand total of 1479: 1630 total minus 151 canners). FSIS expects that canners should only experience minimal costs from identifying that their existing CCPs already eliminate *L. monocytogenes* from their products.

[11] These numbers are derived from the total number of firms listed in Table 3 of section XII of the proposed rule preamble, ''Compliance with Regulatory Flexibility Act of 1966.''

TABLE 10.—SUMMARY OF CURRENT AND PROJECTED ESTABLISHMENT BEHAVIOR WITH RESPECT TO THEIR DECISION TO INCORPORATE A CCP ADDRESSING L MONOCYTOGENES

Item	Number of establishments		Change
	Before	After	
Establishments that currently have or will develop a CCP addressing *L. monocytogenes* in their HACCP plan that also:			
Conduct food contact surface testing	299	[12] 489	190
Do not conduct food contact surface testing	98	165	67
Sub-total	397	654	257
Establishments without and that will not develop a CCP addressing *L monocytogenes* in their HACCP plan that also:			
Conduct food contact surface testing	645	825	180
Do not conduct food contact surface testing	437	0	−437
Sub-total	1082	825	−257
Grand-Total	1479	1479	0

The size distribution of establishments expected to modify their HACCP plans has important implications in the analysis on mandatory food contact surface testing. This analysis assumes that all large establishments are likely to incorporate a CCP addressing *L. monocytogenes* in their HACCP plans, while most small and very small establishments will not (instead relying on Sanitation SOPs to address *L. monocytogenes* and comply by mandatory testing). That is, larger establishments (who have the greatest volume, currently conduct a high volume of product and food contact surface microbiological testing and maintain CCPs addressing *L. monocytogenes*) will not be required to test, thus reducing the overall testing brunt of this provision. The current high numbers of large establishments with CCPs addressing *L. monocytogenes,* and the expectation that all remaining ones will modify their HACCP plans strongly influence this outcome.[13] This leaves the smaller establishments to feel the brunt of mandatory food contact surface testing burden while at the same time, lowering the total level of testing needed to comply with the proposed rule.

One element that may increase the over-all cost of the HACCP modification component of mandatory testing at the prescribed frequency is if establishments need to modify more than one HACCP plan. Also, the relative of cost of testing versus developing a CCP would not be the only factor in an establishment's decision on how to comply with the proposed requirement. Unique aspects of ad establishment's processing system, as well as the relative risks posed by its products, may influence an establishment's decision. FSIS request comment on this issue.

FSIS has found that the costs associated with modification of HACCP plans can range from $2,000 to $20,000 per HACCP process. This cost depends on the efforts needed to draw up new CCPs (sanitation practices to limit levels of *L. monocytogenes* on incoming raw product and prevent recontamination after processing, lethality steps, or testing to validate and verify its controls); install monitoring equipment (thermometers and test kits) and; train labor to take additional samples and to keep records. The cost of $5000 for the incorporation of a CCP addressing *L. monocytogenes* into an establishment's HACCP plan is used in cost projections for this analysis, regardless of size of establishment or number of HACCP plans per establishments. This cost is considered a one-time event (minimal recurring monitoring costs are assumed to result from the inclusion of a CCP addressing *L. monocytogenes*). Any additional costs associated with its' monitoring are subsumed in the over-all monitoring cost of the establishment's current HACCP plan(s). Industry-wide, these total one-time HACCP validation costs are estimated at $1.285 million ($5000 times 257 establishments). FSIS requests comment on this estimated total cost of HACCP plan modification.

B. Projected Costs Associated With Additional Testing

For those establishments not currently testing or that do not maintain a CCP addressing *Listeria*, FSIS tentatively concludes that food contact surface testing and Sanitation SOP controls will supply the same reassurance that *L. monocytogenes* is not a potential food safety problem as do regularly scheduled verifications of Sanitation SOPs. As was discussed, the proposed rule effectively exempts establishments from mandatory testing if: (1) they manufacture products whose processing destroys *L. monocytogenes* and/or eliminates any opportunity of recontamination, e.g., canners; or (2), if they previously identified *L. monocytogenes* as a hazard reasonably likely to occur and have incorporated one or more controls into their HACCP systems. These two conditions effectively exempts 151 establishments identified as canners and 397 establishments identified as currently having a CCP addressing *L. monocytogenes* in their HACCP plan. In addition, FSIS projects that an additional 257 establishments will elect to incorporate a CCP addressing *L. monocytogenes* into their HACCP plan, effectively avoiding this mandatory testing requirement. Thus, FSIS estimates that this provision will impose mandatory testing costs on 825 establishments (1630 − 151 − 397 − 257=825).

Nature of Testing (Areas to be tested, Frequency, and Consequences). All environmental tests will be made on food-contact surfaces (rather than non-food contact surfaces, such as floors and drains). Reliance on food contact surface testing is predicated on the logic that establishments, in the desire to minimize their chances of having a positive food product test, will use surface test results as a leading indicator of food product safety. Thus, no non-food product contact testing is required in this proposed rule change. Also, non-food product contact has not been found to be related with final product safety: ''Areas where products are stored or processed are of lower priority because inadequately cleaned equipment in raw processing areas have not been associated with a problem of *Listeria monocytogenes* in finished product.'' [14]

The frequency of food contact surface testing is based on the following:

(a) Four tests per active line [15] per month for large establishments;

[12] This increase in this field is due to the number of establishments currently testing that choose to also develop a CCP in response to the rule. FSIS assumes that they will continue testing, so this number does not represent an increase in the number of establishments that test.

[13] It must be kept in mind that although larger establishments will avoid mandatory testing at the prescribed frequency, nothing suggests that these establishments will discontinue their testing programs and jeopardize their product integrity. It is expected that the original product integrity be maintained through its own HACCP monitoring and verification activities and confirmed through FSIS verification of their HACCP plans.

[14] *Guidelines to Prevent Post-Processing Contamination from LM,* Tompkin, Scott, Bernard, Sveum and Gombas, Dairy, Food and Environmental Sanitation, August 1999, Vol. 19, No. 8, Pages 551–562.

[15] Why lines? Many authorities recommend considering each product line as a critical control point. For example, ''Each packaging line should be regarded as an independent unit for LM monitoring

Continued

(b) Two tests per active line per month period for small establishments; and,

(c) One test per active line per month for very small establishments.

For purposes of this cost analysis below, FSIS used the following assumptions on the average number of operating lines per establishment: 2 lines for very small establishments; 4 lines for small establishments; and, 6 lines for large establishments.

These frequencies are intended to be the minimum level of food contact surface testing undertaken by firms. Greater frequency of testing by establishments (regardless of size) is encouraged by FSIS: FSIS policy states that the more the plant is testing, the less likely FSIS will include the plant's product in its end-product microbiological testing program(s) (FSIS Directive 10,240.2, Revision 1). This testing frequency incorporates the volume of production in two ways: (1) It assumes that the more an establishment produces, the more lines it has, and (2) the greater its size, the more product is produced and thus, a need for higher weekly frequency as size increases.[16] FSIS requests comment on these proposed testing frequencies.

Positive test results on food-contact areas will indicate a need to thoroughly clean the immediate working areas and equipment and re-test. Once a positive food contact surface is found, product samples will be tested for *L. monocytogenes*. The establishment must have in place procedures to determine which lots of product might be affected; to hold, sample, and test that product; and to dispose of affected product and to correct and prevent further contamination appropriately.

The potential cost of mandatory testing is a function of the per-unit testing cost[17] and of the number of establishments (and the number of lines that each establishment maintains) that are affected by this provision. Several testing firms were contacted concerning their testing kits for *Listeria spp*. The cost of these tests varied from $10 to $30, not including the costs for labor and shipping the material to the laboratory. One would expect that the costs of in-house testing would be at least the amount charged by firms engaged in providing this service. A slightly higher cost of $35 per test is used as the average cost of testing food-contact areas for *Listeria spp.* in this analysis to compensate for expenses associated with labor to conduct the test and shipping tests to laboratories for analysis.

The number of establishments that will face mandatory testing has been determined in the previous analysis. Recall that it found that all large establishments are expected to modify their HACCP plans and be exempt from mandatory food contact surface testing. The finding implies that only small and very small establishments will need to test to satisfy compliance of the proposed rule. FSIS estimates that 50,035 tests will be needed by these establishments (Table 11). The associated overall costs of these tests is estimated at $1.75 million ($35 times 50,035). This cost would be expected to recur annually.

TABLE 11.—SUMMARY OF NUMBER OF TESTS CONDUCTED BY ESTABLISHMENTS WITH AND WITHOUT CCPS ADDRESSING L. MONOCYTOGENES

Item	Number of tests needed to meet compliance		Change
	Before	After	
Establishments that currently have or will develop a CCP addressing *L. monocytogenes* in their HACCP plan that also:			
Conduct food contact surface testing	39105	[18] 67458	+28353
Do not conduct food contact surface testing	8141	13594	+ 5453
Sub-total 1	47246	81053	+ 33807
Establishments currently without and that will not develop a CCP addressing Listeria monocytogenes in their HACCP plan that also:			
Conduct food contact surface testing	63524	50035	−13489
Do not conduct food contact surface testing	20318	0	−20318
Sub-total 2	83842	50035	−33807
Grand-Total (1+2)	131088	131088	0

C. Projected Costs Associated With Expected Production Adjustments

In addition to the above two expected industry costs (administrative costs related to incorporating a CCP addressing *L. monocytogenes* in their HACCP plans and increased food contact surface testing costs), some firms—across all size categories—may need to adjust their production process or facilities to comply with the proposed rule. One can view such adjustments as being on a continuum, from the most minor—and least costly—to the most radical—and costly—adjustments needed to remedy their *L. monocytogenes*-related control problem(s). Because measures vary greatly across establishments and product-types, it is difficult to estimate the impact of eventual firm adjustments arising from this provision of the proposed rule.

For purposes of analysis, affected establishments are broken into four groups: those that are not expected to encounter any problems as a result of mandatory testing; those firms that are expected to encounter minor problems (Stage 1 problems); those firms that are expected to encounter more serious problems and higher costs to remedy their *L. monocytogenes*-related problems (Stage 2 problems); and, a small group that will drop certain products or drop production entirely due to persistent *L. monocytogenes* positive findings (Stage 3 problems). Based on the discussion that follows, the number of establishments in each group was determined to be: 1,258 establishments that will not encounter any problems; 104 establishments that will encounter Stage 1 and 2 problems and 13 establishments that drop production of certain RTE meat and poultry products or drop out of the industry entirely (Table 12).

Steps to prevent *L. monocytogenes* contamination can take many forms: pre-operational (building and facility design; equipment design and maintenance) and operational (adequate attention paid by well-trained employees). Most establishments are assumed to follow the recommended guidelines in production,[19] are already doing some testing (either food contact surface or

and control,'' *Guidelines to Prevent Post-Processing Contamination from LM*, pp. 551–562.

[16] The higher testing frequency for large establishments (once per week per line) also reflects the greater potential of large establishments to contaminate larger volumes of product than small and very small establishments.

[17] No adjustment is made to account for the degree to which plants currently test: the baseline discussion suggests that many firms are currently conducting some kind of environmental testing program.

[18] This increase in this field is due to the number of establishments currently testing that choose to also develop a CCP in response to the rule. FSIS assumes that they will continue testing, so this number does not represent an increase in testing.

[19] *Guidelines to Prevent Post-Processing Contamination from LM*, 1999.

of products), and would not be expected to experience any increase in positive food contact surface testing results as a result of the proposed regulation changes. FSIS estimates that eighty-five percent [20] (1,258) of the establishments will incur no costs, because these establishments already have taken steps to remediate problems with *L. monocytogenes* contamination in product. However, it is possible that these establishments may have future problems with environmental contamination by *Listeria spp.* So, FSIS may have overestimated the number of establishments that will incur no future costs as a result of the proposed requirements.

TABLE 12.—NUMBER OF ESTABLISHMENTS AND ASSOCIATED COSTS OF POTENTIAL PRODUCTION ADJUSTMENTS WITH RESPECT TO MANDATORY LM TESTING

Group/sub-group	Representative meat and poultry products	Problem category (by # of establishments)					Associated cost to control LM problem (000's $)	Value of discontinued production on (mil $)
		None	Stage			Total		
			1	2	3			
I–1	Fermented; Dried; and, Salt cured Products	127	11	11	1	150	181.6 1	5.9
I–2	Frankfurters and wieners	142	12	12	1	167	248.1	23.6
I–3	Meat patties	65	5	5	1	76	72.5	5.3
I–4	Luncheon meats	163	13	13	2	191	519.0	60.5
II–1	Otherwise processed M&P RTE product by *meat processors*.	468	39	39	5	551	597.7	48.8
II–2	Otherwise processed M&P RTE product by *poultry processors*.	139	12	12	1	164	570.4	66.9
II–3	Otherwise processed M&P RTE product by *combo plants*.	65	5	5	1	76	99.3	9.6
III	Frozen dinners and pizzas	89	7	7	1	104	201.9	21.6
IV	Canned products	0	0	0	0	0	0	0
Grand total		1258	104	104	13	1479	2490.5	252.2

Some establishments follow the recommended guidelines in production but, for any number of reasons, are expected to face difficulties in improving their *L. monocytogenes* testing results. Establishments that encounter Stage 1 problems would face only *marginal difficulties* in improving their *Listeria spp.* testing results. Seven percent of the establishments (104) are expected to fall into a this group. FSIS expects that these plants can reduce these positive findings by concentrating mainly on the pre-operational component of the business,[21] perhaps taking more care in pre-operational sanitation and better training of and increased awareness by production personnel. Also, one could expect that some ''quick-fixes'' to equipment, such as finding the niches in equipment which may harbor *L. monocytogenes* and cleaning them thoroughly and more regularly, might greatly reduce their positive food contact surface testing results. Actions that are expected correspond roughly to the response by industry in a recent survey pertaining to what actions are taken by establishments when they exceed limits on results from environmental testing. These include:

- Enhance pre-operational and operational sanitation controls in production (262 out of 308 establishments that responded to the industry survey cited previously indicated that this action was taken when allowable environmental testing results were exceeded);
- Implement an environmental monitoring program for *Listeria spp.* to verify that the control program is effective (241 out of 302 surveyed indicated that this action was taken when allowable environmental testing results were exceeded);
- Intensify training efforts on personnel (232 out of 302 surveyed indicated that this action was taken when allowable environmental testing results were exceeded);
- Purchase inputs from suppliers with a *L. monocytogenes* control program, and;
- Apply a validated listericidal process where appropriate.

FSIS expects that plants encountering Stage 1-type problems will face a $2000 per line average ''fix'' for equipment and machinery. These efforts are expected to be effective and not involve any recurring cost. Across all affected establishments, such costs are expected to total $0.7 million.

An additional 7-percent of all establishments (104) are expected to face significantly greater difficulty in improving their food contact surface *Listeria spp.* testing results: ''Stage 2-type'' problems that can not be solved simply by increased attention to pre-operational sanitation efforts. These plants must instead concentrate on equipment and building re-design and other manageable ''technical fixes''. By their nature, these one-time efforts are more costly. Examples of the kind of efforts envisioned with these adjustments are: addition of post-processing pasteurization equipment, re-designed drains, walls, and floor areas, especially in the post-processing rooms, and other major renovations to buildings and equipment.[22]

FSIS expects that plants encountering Stage-2 type problems will face higher costs than establishments facing Stage-1 problems. Based on expenses incurred by the industry in taking similar steps in the early 1990's, FSIS estimates that such efforts could cost the affected establishments 0.1 percent of their gross sales.[23] Some product losses from these firms are expected due to greater amounts of product held from commercial channels because of positive food contact surface tests for *Listeria spp.* or positive product test results for *L. monocytogenes*.[24] Such product losses are expected to diminish after 6 months. Thus, such temporary production drops and possible disruptions are not considered throughout this analysis. FSIS request comment on the costs of holding and testing product for *L. monocytogenes* contamination. Keeping this in mind, FSIS projects that the total expenses

[20] Further data analysis is needed to more accurately estimate this figure. The current estimate is based on MARCIS data on follow-up LM positive finding for only one year of data (1999). This first group of producers are assumed to represent the 85 percent of initial positive microbiological survey samples that quickly rectified their contamination problems in 1999. The latter stages reflect smaller and smaller percentages of the initial positive samples that required more and more follow-up tests because their test results persisted positive.

[21] Some increase in sanitation supplies and materials are also expected.

[22] Further examples can be found in: *Industry Perspectives on LM in Foods: Manufacturing and Processing,* Bernard and Sveum, *Dairy, Food and Environmental Sanitation*, Vol. 14, No. 3, Pages 140–143 (March 1994).

[23] Tappero, Jordan, Anne Schuchat, Katherine Deaver, Laurene Mascola and Jay Wanger, *Reduction in the Incidence of Human Listeriosis in the United States, Effectiveness of Preventive Efforts?*, JAMA, April 12, 1995—Vol. 273, No. 14. This study actually put the costs at the range of 0.1 to 0.2 of annual industry sales.

[24] It is also acknowledged that increased numbers of positive environmental tests may result in increased numbers of positive product tests, leading in turn, to not only increased amount of product destroyed, but increased amounts of product that need to be held until results are complete and in the case of positives, increased amount of products that need to be reworked.

associated with Stage 2 corrective actions across the industry at $1.7 million. In total, corrective actions associated for both Stage 1 and 2 type problems are expected to cost $2.5 million in one-time costs.

A final group of plants is expected to face Stage 3-type problems: problems that establishments may perceive to be prohibitively costly to ''fix'' and/or not feasible to undertake without complete modernization or renovation. Without making the needed capital investments, their only option is to drop out of production. This may involve dropping just the RTE meat and poultry product component of their business or eliminating RTE meat and poultry products altogether.[25] FSIS estimates that one percent of all establishments (13) regardless of size category [26] will fall into this category. Resources, associated with the associated discontinued production, are expected to be absorbed by their next-best use, such as frozen not-RTE food and other food manufacturing. The value of the initial drop in production across the industry is estimated at $252 million. Although firm numbers may drop by 1-percent, this initial drop in production would not be expected persist over time. Market supplies would be expected to increase due to likely production increases by the remaining domestic establishments and possibly by increased imports of similar type meat and poultry products.

FSIS realizes that many of the technological ''fixes'' that many establishments may have to undertake are not scale-neutral (they favor increasing scale establishments). Thus, one may discover that small and very small establishments are disproportionately affected by this provision of the proposed rule. However, to ensure maximum food safety benefits from testing, FSIS is proposing to require industry-wide adoption. FSIS requests comments on expected impacts on small and very small establishments.

The total cost of mandatory food contact surface testing on this industry is estimated at $5.53 million ($1.28 million on HACCP plan modification, $1.75 million on testing, and $2.5 million in production adjustment costs).

2. Costs Associated With Lethality and Stabilization Performance Standards

This provision, as described in the provisions section, mirrors the recently published performance standards for the production of cooked beef, roast beef, cooked corned beef products, fully and partially cooked poultry products (64 FR 732). However, that rule did not apply to dried, fermented, and salt-cured RTE meat and poultry products. Fermented sausage makers were advised in the mid-1990's on methods to ensure food safety and most of these processors made changes to their production at that time; however, this is not known for sure. Also, the current proposed rule would increase the required level of pathogen reduction in meat patties. As such, processors of meat patties and the dried, fermented, and salt-cured RTE meat and poultry products are expected to feel the major impact from this provision of the proposed rule. FSIS expects that this provision may have two potential impacts on certain RTE meat and poultry product producers: (1) the need to make production changes to attain the higher performance standards and (2) the need to incorporate increased monitoring equipment and other means to validate that they are meeting the new performance standards.

A. Projected Costs Associated With Production Adjustments

The majority of the establishments that produce RTE meat and poultry products are not expected to be affected by the lethality and stabilization provisions of the proposed rule. Most establishments already may meet these requirements because they are identical to those in the final rule that established performance standards for the production of certain RTE meat and poultry products (64 FR 732). However, it is expected that one-third of the plants in Group I, Subgroup 1 (Dried, Salt-cured and Fermented Sausage makers) and one-third of Group I, Subgroup 3 (meat patty makers) will be affected by this provision of the proposed rule. FSIS estimates that these 75 establishments or less than 5 percent of the establishments in this industry produce about 441 million pounds of product.[27]

FSIS expects that producers will adjust to higher performance standards by applying some additional heating or holding times to their products or by relying upon integrated lethality involving multiple hurdles or accounting for come-up and come-down time. FSIS tentatively concludes that many establishments would meet the proposed performance standards using current procedures; however, the integrated cumulative lethality of these procedures may not have been fully assessed at this time. Individual establishments' costs could vary greatly depending on their need to purchase capital equipment, such as flash freezers for quicker cooling times, new heating equipment, etc., that may lead to increased costs in the short run, but lower operating costs and improved product in the long run. FSIS expects that most establishments will continue to produce their products in much the same way, but may increase their heating temperatures and holding times. In so doing, they are expected to experience somewhat reduced production line speeds, initially higher product rejection rates, and slightly lower annual production.[28]

FSIS has only limited data to base its estimate for the impact of higher performance standard. Some anecdotal information suggests that some establishments, to attain the new lethality performance standards, may have to incur an additional cent per pound of product produced. This estimate implicitly incorporates the cost of reduced annual sales by the firm due to slower line speeds (and its implicit effect on lost value of production), equipment costs, and higher energy costs. At this time, this one-cent per pound cost is used in this analysis. FSIS uses this per-pound estimate and its estimate on affected poundage of product to project an aggregate annual recurring cost of $4.4 million ($0.01 times 441.1 million pounds).

B. Projected Cost Associated With Performance Standard Validation

The 75 establishments identified above are expected to need a one-time validation to determine if they are meeting the higher performance standards. FSIS estimates that these firms produce, at least, 545 specific product-types that would need lethality and stabilization validation. FSIS expects that the costs to validate the attainment of performance standards to be the same as the validation of a HACCP plan modification ($5000). Thus, FSIS estimates that the over-all cost to establishments to validate that they are attaining the higher performance standards for these products at $2.7 million (545 times $5000).

Projected Costs Associated With Label Changes. FSIS is proposing that the labeling of RTE products state that the product requires refrigeration after opening, as applicable. Current regulations require that labels of perishable products include such instructions, but the Agency is proposing to expand the required label instructions to include RTE shelf-stable products that require refrigeration after opening. For

[25] It is misleading to attribute all of the reason for the one percent decline in firm numbers on the proposed rule. Some number of firms would have gone out of production due to competitive reasons and dynamics involved in industry technological change. Regardless of the regulatory environment, some level of technology will be adopted by some firms and not by others; in addition, technology may be made available to control LM in RTE food processing during the time frame of this analysis. If this technology is size-neutral, projections concerning industry response to the proposed regulation is problematic. On an optimistic note, impacts may be dampened considerably by such technology adoption. Examples of technology that is being developed (and may be scale-neutral) include: antimicrobial packaging, high pressure processing, irradiation, oscillating magnetic fields, pulsed electric fields, and UV light (Meat and Poultry, April 2000, *Post-processing pasteurization, Preventing recontamination requires an aseptic approach*). However, impacts may be greater if technology does not advance and Listeria control is more of a function of pre-operational perquisites, like building re-design and layout. Due to the great amount of uncertainty related to this issue, no assumptions were made concerning these off-setting influences. However, the one-percent level was used to indicate that some number of plants may drop out of production as a result of the proposed rule.

[26] Given time, further analysis may reveal that the probability of such Positive Microbiological Survey Finding's are associated with certain Meat and poultry products, plant age or size, or other major characteristic(s), i.e. season. Recall and other internal FSIS data were investigated and no single characteristic was found to explain MPSF occurrence and/or frequency.

[27] Using an assumed average level of production for each establishment of 50, 5, and 2 million pounds for large, small, and very small establishments, respectively, in each affected sub-group times the number of affected establishments.

[28] These implicit costs are associated with production drag—increased levels of recalls, higher rejection rates in production, slower production shifts, slower sales due to perceived *poorer quality* and such. Ideally they should be counted as a separate effect associated with a possible leftward shift in supply. At this time, there is not sufficient data to quantify this effect.

products that would be covered by this provision, FSIS estimates that the costs per label would be comparable to those for printing safe handling labels ($0.0025 to $0.05 per label if the information is included as part of their price label, and, $0.01 per label if they developed separate labels) (see 58 FR 58924). FSIS requests comment on the costs and benefits of this labeling provision.

Projected Benefits From the Proposed Rule

All the benefits from this proposed rule are generated by producers' actions complying with the mandatory food contact surface *Listeria* testing and the HACCP plan provisions of the proposed rule.[29]

Benefits are expected to accrue gradually over time. Although studies found in the literature suggests that *L. monocytogenes* control measures take about 6 months to 2 years before they are successful, FSIS found no basis for what form this time path for benefits should take. However, FSIS wants to account for any lag in the effectiveness of producer actions and other factors that may affect the immediate realization of full benefits. FSIS uses the following time path for realization of benefits: 5% realization by the first year; 10%, by the second year; 15%, by the third year; 40%, by the fourth year; 50%, by the fifth year; 60%, by the sixth year; 70%, by the seventh year; 80%, by the eighth year; 90%, by the ninth year; and, 100% by year ten. FSIS requests comment and information regarding the realization of projected benefits.

Benefits are predicated on a chain of events: the proposed rule testing requirements motivating establishments to maintain higher sanitation standards; the introduction of less contaminated product in commercial channels; and eventually, fewer listeriosis cases and deaths from the consumption of RTE meat and poultry products.

Mandatory environmental food contact surface testing forces producers to incur costs to recognize (and, if need be, to remedy) their contamination problems. These costs, and those related to performance standards, are made up of mostly one-time, first-year costs and low recurring annual costs. More than half (56 percent) is related to performance standards, not mandatory testing (44 percent). Still, FSIS expects that the benefits derived from mandatory testing results would exceed the costs of both provisions.

TABLE 13.—NOMINAL AND REAL COSTS OF THE PROPOSED RTE RULE AND ASSOCIATED LISTERIOSIS CASE REDUCTIONS AT 100 PERCENT EFFECTIVENESS—ALL RTE MEAT AND POULTRY PRODUCTS

Year	Nominal cost ($ million)	Real cost ($ million)	Cases eliminated	
			FDA–FSIS draft risk assessment	Mead-Olsen studies
1	12.6	11.8	83	8.35
2	6.2	5.4	166	16.7
3	6.2	5.0	249	25.05
4	6.2	4.7	664	66.8
5	6.2	4.4	830	83.5
6	6.2	4.1	996	100.2
7	6.2	3.8	1162	116.9
8	6.2	3.6	1328	133.6
9	6.2	3.3	1494	150.3
10	6.2	3.1	1160	167
Total	68.1	49.3	8632	868.4

[1] The year-end discount rate used is 7.0 (OMB, Circular No. A–94, updated January 2000).

Alternatives

Executive Order 12866 requires that FSIS identify and assess alternative forms of regulation. FSIS considered one alternative to all of the proposed regulations and five alternatives to the proposed testing requirements. These are discussed below.

1. No Action

The Agency considered not requiring the proposed performance standards for RTE meat and poultry products. Small and very small establishments may incur most of the costs of the proposed extension of the existing performance standards to all RTE meat and poultry products. There are currently performance standards for certain not-shelf-stable RTE meat and poultry products (RTE roast beef, corned beef, all ''fully-cooked'' RTE poultry products, and partially-cooked meat patty and poultry products). However, there currently are no performance standards specific to jerky, meat hotdogs, and luncheon meat and the current requirements for meat patties effect a lethality less stringent than that which is proposed.

FSIS considered not proposing to extend the performance standards to these products because of the possible disproportionate economic impact on small business. However, taking this alternative would result in a significant inconsistency in the Agency's public health policy. Most, if not all, RTE meat and poultry products are manufactured from the same supply of raw product examined in the FSIS national baseline surveys. So, performance standards derived from this baseline should be applicable to all categories of RTE meat and poultry products, regardless of how they are processed. All RTE products should be required to meet the same standard of safety. FSIS will publish compliance guides and possibly take other actions to mitigate the economic effects of any final rule on small businesses.

In general, some members of the meat and poultry industry believe that regulatory performance standards are unnecessary or redundant, considering that FSIS already requires all meat and poultry establishments to develop and implement HACCP systems. FSIS believes, however, that developing HACCP systems around verifiable, objective performance standards is the most effective way for establishments to consistently produce safe, unadulterated meat and poultry products. Furthermore, by proposing performance standards for pathogens whose destruction results in the destruction of most or all other pathogens of concern, FSIS provides a reference for establishments to use in gauging the efficacy of their HACCP systems. FSIS, therefore, is proposing pathogen reduction performance standards that can be incorporated into HACCP systems, rather than requiring that establishments rely upon HACCP alone.

FSIS considered not revising the prescriptive canning and *trichina* treatment requirements for certain pork products. However, these provisions of the proposed regulations represent regulatory reform and streamlining efforts. The regulatory safety standards for commercially sterile products and for pork products would be unaffected by this proposal. FSIS also considered not requiring testing for *Listeria.* However, without some regulatory requirements addressing *Listeria,* many establishments will continue not to regard *L. monocytogenes* as a post-lethality hazard reasonably likely to occur and not take steps through Sanitation SOPs or HACCP to ensure the safety of their products. FSIS tentatively concludes that

[29] Recall that the benefits from producers complying with the higher performance standards are not quantified at this time. Also, refer to the uncertainty discussion for an explanation of factors that may lead to underestimation problems.

without defining required actions in either the Sanitation SOPs or HACCP, product will continue to test positive for *L. monocytogenes* and outbreaks will continue to occur.

2. End-Product Testing

FSIS considered proposing to require testing of finished product for *L. monocytogenes* instead of the proposed food contact surface testing for *Listeria spp.* In short, FSIS does not believe that such end-product testing at levels high enough to ensure statistical confidence would be a practical means of ensuring that RTE meat and poultry products are not adulterated by *L. monocytogenes.* To determine that every lot of RTE product was not adulterated by *L. monocytogenes,* an establishment would likely have to test a significant portion of each lot and hold each lot until test results were confirmed.

Further, end-product testing to verify process control is antithetical to the notion of process control under the Agency's HACCP and Sanitation SOP regulations. Granted, FSIS is proposing to require product be held and tested in the event an establishment has a positive food-contact surface test result. But this proposed product testing is a measure every prudent establishment should take when it determines that its Sanitation SOP is ineffective and that product may have been produced under insanitary conditions and therefore may be adulterated. FSIS believes, based on the numerous recalls involving small quantities of RTE meat and poultry products and the fact that the majority of the recalls are initiated in small and very small establishments, that members of the meat and poultry product industry are not effectively ensuring that products are not adulterated. Thus, the Agency, in the interest of public health, opted to propose making mandatory food-contact surface testing for *Listeria spp.*

3. Mandatory Post-Lethality Interventions for L. monocytogenes

FSIS is aware of several establishments that currently apply a post-lethality steam pasteurization treatment to their RTE products, specifically to eliminate *L. monocytogenes.* FSIS allowed establishments to use antimicrobials specifically effective in preventing growth of *L. monocytogenes* in RTE products (i.e., sodium diacetate, potassium lactate, and sodium lactate, 65 FR 17128, March 31, 2000). Furthermore, in the future, other types of antimicrobial interventions that can be applied after lethality treatment and after packaging that can eliminate *L. monocytogenes* from RTE products may be available. For example, eventually, FDA and FSIS may allow establishments to treat RTE products with ionizing radiation. If applied within a HACCP system, irradiation could eliminate *L. monocytogenes* from a RTE product. FSIS also is aware that industry is developing edible, antimicrobial coatings that could be applied to RTE meat and poultry after cooking or other lethality treatments. However, FDA has not yet approved any of these coatings for meat and poultry.

FSIS considered requiring establishments to implement post-lethality antimicrobial controls instead of testing food contact surfaces for *L. monocytogenes.* Obviously, however, since most of the needed technologies are not yet available or not yet approved, establishments would have a limited number of treatments to choose from and some may not be appropriate or useable in every processing system. Further, mandating the use of any specific technology would be counter the Agency's goal of granting establishments maximum flexibility to innovate and design customized processes capable of producing safe meat and poultry products. And, initially, many of these new technologies may be prohibitively expensive as they become available, especially for small businesses.

By proposing to exempt establishment with CCPs for *L. monocytogenes* from the required testing, FSIS is providing an incentive for establishments to implement these new technologies as they become available. Also, the proposed exemption will allow establishments to conduct testing instead of developing HACCP plan controls, if they find testing to be a more cost-effective means of preventing contamination of the their RTE products by *L. monocytogenes* as result of insanitation.

4. Mandatory Food Contact Surface Testing for All Establishments That Produce RTE Products

Because *L. monocytogenes* is an environmental contaminant and often adulterates RTE products as a result of insanitation, FSIS considered requiring all establishments that produce RTE meat and poultry products to test for *Listeria spp.* as a way to verify plant sanitation, regardless of whether they have implemented HACCP controls for *L. monocytogenes.* However, if an establishment develops a new CCP or designates an existing CCP to control contamination of its products by *L. monocytogenes,* it will be taking process control actions that likely will include sanitation practices to limit levels of *L. monocytogenes* on incoming raw product, lethality steps to destroy *L. monocytogenes,* sanitation control steps to prevent recontamination, or testing to validate and then frequently verify that its controls are effective. FSIS believes that requiring these establishments to also conduct the mandatory testing for *Listeria spp.* would be unnecessary and redundant. Further, requiring all establishments that produce RTE products to conduct testing for *Listeria spp.* is expected to increase annual compliance costs from the estimated $1.75 million in testing costs related to the specific provisions in the proposed rule to $4.6 million. Again, these costs should be regarded as direct annual recurring costs associated with the minimum number of food contact surface testing estimated by FSIS.

5. Redesignation of Hotdogs and Other Products as Not-Ready-To-Eat

FSIS considered creating a new category of products for partially-cooked sausages and other products that no longer would be considered RTE. An establishment that redesignated its meat and poultry product as not RTE would not be required to conduct the proposed testing for *Listeria spp.* nor meet any other regulatory requirements applicable only to RTE products. FSIS would require the establishment, however, to label its not RTE product with the safe handling instruction (9 CFR 317.2(l), 381.125(b)) and with cooking instructions similar to that for partially-cooked meat patties and poultry rolls (9 CFR 318.23 and 381.150).

The safe handling instruction is required for all products that have not undergone processing that would render them RTE and includes four labeling statements, including ''cook thoroughly'' along with a graphic illustration of a skillet. The cooking instruction is currently required for partially-cooked meat patties and poultry rolls, which need thorough cooking prior to consumption for safety. This cooking instruction states: ''Partially-cooked: For Safety Cook until Well Done (Internal Meat Temperature of 160 degrees Fahrenheit)'.

FSIS considers cooked meats, including those defined in 9 CFR 319.180 (Subpart G—Cooked Sausage) which include frankfurters, hotdogs, wieners, bologna, and similar products, to be RTE products. Ready-to-eat products should be safe to consume without any additional cooking or application of a lethality treatment by the consumer. More importantly, it is likely that most consumers also consider hotdogs and similar products to be RTE, and only apply a heat treatment to improve product palatability. Consumer behavior would have to be significantly modified to ensure that they are aware that an adequate cook for safety must be applied to these products.

Another consideration is that restaurants, including street vendors and quick-service operations, would have to treat these redesignated products as not-RTE. The current Model Food Code provides that RTE food taken from a commercially-processed intact package from a food processing plant shall be heated to a temperature of at least 140 degrees Fahrenheit for hot holding (FDA Food Code, section 3–403.11). The hot holding temperature is not intended to serve as the lethality treatment for the product, but only as a temperature sufficient to prevent multiplication of pathogens while the product is being held prior to sale. Thus, this industry would have to apply a higher minimum temperature and time combination to achieve the necessary lethality for safety.

FSIS does not have the data needed to estimate the costs that would result from the redesignation of certain hotdogs and similar products as not-RTE. Direct costs to industry would include: new labeling; the cost to retailers who be required to apply higher time/temperature combinations to the redesignated products; and possible loss of market share by firms that redesignate their products as not-RTE to firms that continue to produce RTE products. Other costs include consumer education and, most importantly, possible public heath costs resulting from consumers inadequately cooking not-RTE products traditionally considered RTE and consequently contracting foodborne illnesses. It is likely that these costs would exceed the savings that industry would accrue from being exempted from the proposed testing requirements and other requirements

applicable to RTE products and FSIS has therefore rejected this alternative. FSIS does request comment, however, on these and related issues.

6. Require ''Use-By'' Date Labels on Certain RTE Meat and Poultry Products

FSIS considered, but is not proposing, requiring that the labeling of certain RTE meat and poultry products state the product's shelf-life, and that shelf-life be based on product safety (''use-by'' date labeling) in addition to the proposed *L. monocytogenes* control measures. *L. monocytogenes* contamination is often a result of product manipulation, such as the slicing of deli meats or the peeling of hotdogs, after lethality treatments are applied. In the recent interagency draft risk assessment, FDA and FSIS have concluded that numerous RTE meat and poultry products that undergo post-lethality manipulation and that can support the growth of *L. monocytogenes* in their final packaging and under refrigerated conditions are at relatively higher risk of causing listeriosis.

Food contact surface testing does not address (1) the physical inability of current testing devices to detect minuscule amounts of *L. monocytogenes* in some finished RTE meat and poultry products after their manufacture and (2) the capability of *L. monocytogenes* to grow-out in certain products, even while being kept under refrigerated temperatures. Thus, process controls and food contact surface testing may not reduce risk sufficiently. Some small amounts of product, with non-detectable *L. monocytogenes* contamination levels, could continue to enter commercial food channels. Also, consumers may be improperly handling certain products. The main meat and poultry products of concern are deli meats and frankfurters—products which receive post-processing handling and manipulation and have been associated with past listeriosis outbreaks.[30] If consumers understood ''use-by'' dates and changed their behavior accordingly, ''use-by'' labels could help to ensure food safety through proper handling of RTE meat and poultry products and thereby reduce the risk of listeriosis. However, it is likely that consumer behavior would have to be significantly modified to ensure that they are understand ''use-by'' dating.

For most consumers who are healthy and safely handle their food, this low level of possible *L. monocytogenes* contamination does not pose a significant food safety hazard. However, this is not the case for high-risk individuals who may be severely harmed by *L. monocytogenes,* even by slightly contaminated RTE meat and poultry products. Increased mandatory food contact surface testing should reduce the likelihood of any *L. monocytogenes* contamination present in these products.

In the process, producers and marketers will likely alter their behavior with respect to product rotation in storage and marketing. There is sparse information regarding the potential affects of this labeling, the likelihood that consumer practices will change, and on the effect of changes in consumer behavior on listeriosis cases. Similarly, FSIS currently does not possess all the information necessary to assess the reduction in risk that will occur from this change. Also, the ''use-by'' date labeling may give consumers a false sense of security.

Much uncertainty surrounds the potential costs and benefits of ''use-by'' dating. Little research has been done to address many issues regarding this alternative. For instance, what is the likely consumer reaction to ''use-by'' date labeling? What are the public health consequences? How would ''use-by'' date labeling potentially impact the production and shipment patterns of labeled RTE meat and poultry products and the structure of the industry? For example, will smaller operations benefit from a ''use-by'' date more than larger operations who must rely on larger sales areas which require longer product shelf life to penetrate the entire marketing area?

Further, much uncertainty surrounds expectations for increased consumer awareness by the high-risk sub-population of ''use-by'' date labeling. Assuming the awareness rates for the high-risk sub-population were the same as the general population, only 12.4 fewer annual listeriosis deaths would result from ''use-by'' dating (as opposed to 54).

Comment Request

FSIS requests comment on the feasibility of requiring ''use-by'' date labeling on certain RTE meat and poultry products, generally in regard to the public health benefits and the costs of such labeling, and specifically in regard to the following questions:

(1) What would be the most effective way to implement an ''use-by'' labeling scheme? Should FSIS propose to require that use-by dates be determined and validated within the producing establishment's HACCP plan? Or, should another alternative be used.

(2) What assumptions should be used about retailer and consumer behavior in determining a use-by date? Should the use-by date be determined under the assumption that retailers and consumers will follow any handling instructions contained in the labeling? Or, should the use-by date determination be based on a ''worst case'' assumption that products will be mishandled or temperature abused?

(3) What scientific and economic data are available regarding the shelf-life and safety of RTE meat and poultry products contaminated with *L. monocytogenes?* Are any studies of ''use-by'' date labeling efficacy available? FSIS is currently working with the Agricultural Research Service on a study to evaluate the shelf-life of hotdogs and is aware of other studies, but welcomes any additional information. FSIS would publish guidance regarding use-by dating before any final action becomes effective and would base this guidance on the latest science available.

(4) Should FSIS propose to require post-lethality *L. monocytogenes* interventions instead of ''use-by'' date labeling? FSIS is aware that in the future, certain types of antimicrobial interventions that can be applied after lethality treatment but before packaging and that can eliminate *L. monocytogenes* from RTE products may be available. Eventually, FDA and FSIS may allow establishments to treat RTE products with ionizing radiation. If applied within a HACCP system, irradiation could eliminate *L. monocytogenes* from a RTE product. FSIS also is aware that industry is developing edible, antimicrobial coatings that could be applied to RTE meat and poultry after cooking or other lethality treatments. However, FDA has not yet approved any of these coatings for meat and poultry.

(5) What language would be most effective in informing consumers about ''use-by'' date labels? Would labeling such as ''For safety, use-by * * *'' be more effective? Should the labeling indicate anything regarding vulnerable populations? Should FSIS propose to allow for a variety of phrases? FSIS is aware that many RTE meat and poultry products already carry shelf-life labeling indicative of product quality. Would allowing different phrases result in consumer confusion? Would allowing quality and safety dates to appear on the same package result in confusion? Should FSIS propose to allow different dates based on handling instructions, for instance: one date if the consumer freezes the product, another if the consumer refrigerates the product?

Uncertainty

Benefits Side

The current level of benefits does not consider what technical obstacles exist that may reduce the effectiveness of the provisions in the proposed rule to actually reduce listeriosis cases and deaths. FSIS is uncertain about the effectiveness of its proposed testing requirements in reducing listeriosis, and therefore unable to adequately quantify a range of benefits. No research that directly looked into this subject was found in the literature. FSIS intends to use comments and data received during the comment period and at the planned technical conference to refine the proposed regulations and to better estimate benefits. It is of course unlikely that the proposed regulations could achieve complete elimination of the listeriosis that results from contaminated meat and poultry, but FSIS believes that the benefits of the regulations would exceed the total costs of all of the proposed provisions. The current baseline analysis does not consider any private sector benefits that may result from the proposed rule. The impact of fewer recalls, possibly smaller amounts of returned product with better labeling, fewer consumer complaints, and other reduced costs may benefit the establishments that thrive in the new regulatory environment.

The benefits in this analysis are calculated as if they accrue gradually over time. More research into this subject is needed. Although some research has shown that it would take six to eighteen months for industry LM-control efforts to show positive results, little research was found that looked into the time path for benefits.

Unquantified Benefits Resulting From Proposed Performance Standards

There are currently no performance standards specific to jerky, meat hotdogs, and

[30] Up to 92 percent of all listeriosis cases and deaths from RTE meat and poultry products, as calculated by FDA–FSIS RA, was attributable to the consumption of deli meats and frankfurters.

luncheon meat and the current requirements for meat patties effect a lethality less stringent than that which is proposed. Fermented sausage makers were advised in the mid-1990's on methods to ensure food safety and most of these processors made changes to their production at that time; however, this is not known for sure. As such, processors of meat patties and the dried, fermented, and salt-cured RTE meat and poultry products are expected to feel the major impact from the proposed rule. However, little is known about the production process for many dried and fermented products affected by this rule.

According to one study, *E. coli* O157:H7 causes 52 foodborne-related deaths per year. Nontyphoidal *Salmonella* causes 582 foodborne-related deaths per year (Mead, 1999). Some benefits are expected to be generated by fewer sicknesses due to the proposed *Salmonella* and *E. coli* O157:H7 performance standards that would be extended to certain RTE meat and poultry products that are not currently required to meet these performance standards. However, FSIS has not conducted a quantitative analysis of these benefits and requests comments and data on possible benefits resulting from the proposed requirements.

FSIS is replacing prescriptive provisions concerning thermally processed, commercially sterile meat and poultry products with performance standards. The proposed performance standards will ensure that this product continues to be safe. FSIS believes these proposed provisions would not impose any costs because producers could continue to follow the same procedures required under the current regulations. Producers may realize some benefit from the flexibility that will be allowed under the performance standard regulations if they adopt new innovative means of producing the product. However, FSIS could not estimate any benefits that may be derived from replacing these prescriptive provisions with performance standards and requests comment on possible benefits that may be realized.

FSIS is proposing to eliminate its regulations that require both RTE and not-ready-to-eat pork and products containing pork be treated to destroy trichinae (*Trichinella spiralis*). FSIS believes that, even if these provisions are removed, pork products will continue to be safe from trichinae. For heat-treated, RTE products containing pork, the required treatment to destroy trichinae would no longer be needed because if the process used meets the proposed performance standards for *Salmonella,* the process should eliminate any live trichinae. For other products, if the establishment identifies *trichina* as a hazard reasonably likely to occur, the establishment would have to ensure that the process used effectively eliminates this hazard. If the prescriptive provisions concerning trichinae are removed from the regulations, producers may realize benefits if they determine *trichina* is not a hazard reasonably likely to occur or if they find new ways of treating their product for trichinae.

Cost Side

Over eighteen percent of the first 10 years' total cost of the proposed rule occurs in the first year of program implementation. These costs take the form of one-time outlays related to validation of (1) modifications to HACCP plans and (2) attainment of performance standards. FSIS anticipates that expected industry costs resulting from this proposed rule could be lowered substantially with assistance to deal with these one-time costs.

There may be some consumer welfare losses that result from lower production that may result from this proposed rule. Because some firms may lose market share for their RTE meat and poultry products, consumers may be provided with fewer RTE meat and poultry products in total and a more limited choice among RTE meat and poultry products. Comments are welcome concerning the extent to which this proposed rule may affect the range of RTE meat and poultry products and other issues dealing with consumer choice.

The analysis of the costs associated with performance standards noted that the cost estimate used is highly uncertain, being based on information gathered in a pilot survey. An industry survey is underway and hopefully will address much of the uncertainty of production processes currently employed by producers of these products and their options when faced with higher performance standards. FSIS based the analysis on performance standards on very limited data, much of it received as part of a pilot survey. FSIS requests information concerning the production process for many of these dried and fermented products affected and the options that producers have in dealing with this provision.

Much uncertainty involves the break down of these results by size of establishment. As noted in this analysis and the Regulatory Flexibility Act section, an argument can be made that the proposed rule will disproportionately affect small entities. However, to the extent that validation costs (which can be considered more like fixed costs rather than variable costs) can be reduced, this effect will be minimized. Without these reductions, however, validation costs would tend to disproportionately affect small producers rather than large ones. Any research and assistance to make these needed validations and production adjustments as scale-neutral as possible could dampen the possible disproportionate impact on small entities.

Mandatory food contact surface testing could impose a need to build additional storage for suspected contaminated products to wait in a ''test and hold'' period. This may affect smaller operations more than larger ones. FSIS requests comments that address this issue.

[FR Doc. 01–4420 Filed 2–26–01; 8:45 am]

BILLING CODE 3410–DM–P

Federal Register

Tuesday,
February 27, 2001

Part III

Department of Transportation

National Highway Traffic Safety Administration

49 CFR Part 595

Exemption From the Make Inoperative Prohibition; Final Rule

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 595

[Docket No. NHTSA–01–8667]

RIN 2127–AG40

Exemption From the Make Inoperative Prohibition

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Final rule.

SUMMARY: NHTSA is taking action to facilitate the modification of motor vehicles so that persons with disabilities can drive or ride in them. The agency is accomplishing this by issuing a limited exemption from a statutory provision that prohibits specified types of commercial entities from either removing safety equipment or features installed on motor vehicles pursuant to the Federal motor vehicle safety standards or altering the equipment or features so as to adversely affect their performance. The exemption is limited in that it allows repair businesses to modify only certain types of Federally-required safety equipment and features, under specified circumstances.

DATES: *Effective Date:* This rule is effective April 30, 2001.

Petitions: Petitions for reconsideration must be received by April 13, 2001.

ADDRESSES: Petitions for reconsideration should refer to the docket and notice number of this document and be submitted to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: For non-legal issues, you may contact Gayle Dalrymple, Office of Crash Avoidance Standards, NPS–20. Telephone: (202) 366–5559. Fax: (202) 366–4329.

For legal issues, you may contact Rebecca MacPherson, Office of Chief Counsel, NCC–20. Telephone: (202) 366–2992. Fax: (202) 366–3820.

You may send mail to these officials at the National Highway Traffic Safety Administration, 400 Seventh St., SW., Washington, DC 20590.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Background and overview
A. Reasons for this rulemaking
B. Notice of proposed rulemaking
C. Summary of public comments
II. Final rule
A. Summary of key differences between proposal and final rule
B. Limitations on exemptions
C. Applicability of exemption to modifications performed by repair businesses
D. Standards for which permission is granted to make safety features inoperative
1. FMVSS No. 101, controls and displays
2. FMVSS No. 108, lamps, reflective devices, and associated equipment
3. FMVSS No. 114, theft protection
4. FMVSS No. 118, power-operated window, partition, and roof panel systems
5. FMVSS No. 123, motorcycle controls and displays
6. FMVSS No. 135, passenger car brake systems
7. FMVSS No. 201, occupant protection in interior impact
8. FMVSS No. 202, head restraints
9. FMVSS No. 203, impact protection for the driver from the steering control system and FMVSS No. 204, steering control rearward displacement
10. FMVSS No. 207, seating systems
11. FMVSS No. 208, occupant crash protection
12. FMVSS No. 214, side impact protection
E. Standards for which permission is not granted to make safety features inoperative
1. Standards which could be compromised by vehicle modifications
a. FMVSS No. 102, transmission lever sequence, starter interlock, and transmission braking effect
b. FMVSS No. 103, windshield defrosting and defogging systems, and FMVSS No. 104, windshield wiping and washing systems
c. FMVSS No. 105, hydraulic brake systems, and FMVSS No. 121, air brake systems
d. FMVSS No. 111, rearview mirrors
e. FMVSS No. 113, hood latch systems
f. FMVSS No. 124, accelerator control systems
g. FMVSS No. 206, door locks and door retention components
h. FMVSS No. 209, seat belt assemblies
i. FMVSS No. 210, seat belt assembly anchorages
j. FMVSS No. 216, roof crush resistance
k. FMVSS No. 301, fuel system integrity and FMVSS No. 303, fuel system integrity of compressed natural gas vehicles
l. FMVSS No. 302, flammability of interior materials
2. Standards which are unaffected by vehicle modifications
F. Modifications not contemplated by the final rule
G. Gross vehicle weight ratings
H. Applicability of exemptions to commercial vehicles
III. Prescriptions, labeling, and recordkeeping requirements
A. Prescriptions and professional evaluations
B. Labeling requirements and customer information
IV. Regulatory analyses and notices

I. Background and Overview

A. Reasons for This Rulemaking

We initiated this rulemaking because although the intended effect of the Federal motor vehicle safety standards is to protect the safety of all Americans, the standards can inadvertently limit the mobility of those Americans with disabilities. The vast majority of Americans can drive and/or ride in motor vehicles as they are produced by the motor vehicle manufacturers in full compliance with the Federal motor vehicle safety standards. When they use these vehicles, they benefit from the safety features required by those standards.

However, individuals with disabilities are often unable to drive or ride in a passenger vehicle, such as a passenger car or van, unless it has been specially modified to accommodate their particular conditions. Some modifications, such as the installation of mechanical hand controls or a left foot accelerator, are relatively simple and inexpensive. Others, such as the installation of a joystick that controls steering, acceleration and braking or a lowering of the vehicle floor, can be complex and expensive. In some cases, it is necessary to alter or even remove federally-required safety equipment to make those special modifications. In those cases, it may not be possible to enable individuals with disabilities both to enjoy the opportunity to drive or ride in a motor vehicle as well as to receive the benefits from the full array of federally-required safety features.

The need to alter or remove federally-required safety equipment poses a problem because there is a statutory provision prohibiting making such features inoperative (49 U.S.C. section 30122).[1] While that prohibition does not

[1] Federal law requires vehicle manufacturers to certify that their vehicles comply with all applicable Federal motor vehicle safety standards (FMVSS or standard) (49 U.S.C. section 30112). They must continue to comply until the time of their first retail sale. As noted above, when installing adaptive equipment in a motor vehicle, a modifier may need to remove items of equipment or features that were installed in compliance with the standards issued by NHTSA pursuant to our statutory authority (49 U.S.C. section 30111). At other times, the installer may need to modify or bypass the safety equipment or features so that the adaptive equipment can be used. In either instance, the vehicle modification renders the affected equipment or features, as originally certified, inoperative. As noted above, such removal or alteration violates a statutory provision that prohibits certain entities from making such equipment and features inoperative. Specifically, manufacturers, distributors, dealers, and repair businesses may not knowingly make inoperative any part of a device or element of design installed in or on a motor vehicle that is in compliance with an applicable standard (49 U.S.C. section 30122). We have interpreted the term ''make inoperative''

apply to vehicle owners, it does apply to modifications made by the types of commercial entities that modify vehicles for persons with disabilities.

However, the National Highway Traffic Safety Administration (NHTSA) may issue regulations that exempt persons from the ''make inoperative'' prohibition.[2] Such regulations may specify which equipment and features may be made inoperative, as well as the circumstances under which they may be made so. To date, the agency has only issued one such regulation. That regulation permits the installation of retrofit air bag on-off switches under certain circumstances. In all other instances, we have addressed the need to remove, disconnect, or otherwise alter mandatory safety equipment by issuing a separate letter assuring the individual requestor that we will not seek enforcement action against the business modifying the vehicle. The vast majority of these instances involve persons seeking modifications to accommodate persons with disabilities.

Our policy of handling requests for permission to make modifications on an individual, case-by-case basis does not serve the best interest of the driving public, the vehicle modifiers, or this agency. The case-by-case approach is ill-suited to dealing effectively with the volume of motor vehicles needing modification. We estimate that, as of 1997, approximately 383,000 vehicles had some type of adaptive equipment installed in them to accommodate a driver or passenger with a disability.[3] We estimate that approximately 2,295 vehicles are modified for persons with disabilities per year. We do not know how many of these modifications involved making a federally-required safety feature inoperative. We do know that the modification of motor vehicles for the benefit of persons with disabilities is a growing phenomenon. The number of vehicles modified annually will increase as the population ages and as greater numbers of individuals with physical disabilities pursue employment, travel, and recreational opportunities presented by the passage of the Americans With Disabilities Act (ADA).[4]

Further, the unwieldiness of the case-by-case approach causes many vehicle modifiers to bypass it. The permission granted in the agency letters is directed to specific owners of specific vehicles and cannot be transferred to other owners or other vehicles. Thus, a business performing modifications must obtain written permission for each customer who needs a vehicle modified in a way that adversely affects compliance with the standards. Because agency resources for evaluating individual modification requests are limited, an individual with a disability may wait a significant period of time before the agency can issue a letter stating its intent to not enforce the statute for the vehicle modifications affected. During that time period, the individual may be without any means of independent transportation. Partially as a result of the unwieldiness of this process, only a handful of the vehicles modified annually are covered by a letter from NHTSA granting permission to make a piece of federally-required safety equipment inoperative.[5] Most are made without permission and without the benefit of any guidance about the opportunities for making modifications without sacrificing safety.

We believe that it is appropriate, therefore, to replace the case-by-case approach with an exemption that accommodates the needs of persons with disabilities and promotes a constructive dialogue between the modifiers and the agency. Congress anticipated the need for such an exemption. The legislative history of the make inoperative provision includes the statement that ''exemptions may be warranted for owners with special medical problems, who require special controls * * *.''[6] In addition to eliminating the need for case-by-case approvals, the exemption will facilitate making needed vehicle modifications by providing guidance to modifiers on the types of modifications we believe can be made without unduly decreasing the level of safety provided to the vehicle occupants and to others.

B. Notice of Proposed Rulemaking

In developing the proposed exemption, we sought to balance mobility and safety. To that end, we conducted a comprehensive analysis of both our standards and the types of adaptive equipment currently available. We sought to distinguish between those instances in which there are methods of modification that make it possible, at reasonable cost, to accommodate persons with disabilities while avoiding making the original safety equipment or features inoperative from those instances in which it is not possible to do so. We determined that vehicle modifications fell into the following categories:

1. Modifications that did not affect the original federally-required safety equipment or feature.
2. Modifications that involved the installation of adaptive equipment capable of being operated in lieu of the original equipment, which remained in place and fully operable separately, or in conjunction with the original equipment.
3. Modifications that resulted in making safety equipment inoperative even though other methods of making the modification were readily available that could have accommodated the needs of the disabled occupant at reasonable cost without making the original equipment inoperative.
4. Modifications that made the original equipment inoperative, but either did not appear to lead to a degradation of safety or all methods available to accommodate the needs of the disabled occupant rendered the original equipment or feature inoperative.
5. Modifications that made the original equipment inoperative and resulted in possible degradation of safety so severe that we did not believe an exemption was warranted, and other methods of modification that did not make the original equipment inoperative were either available or a compliant system is easily produced.

In proposing to waive the make inoperative provision for some portions of some safety standards, we determined that modifications in the first two categories listed above did not make the required safety features or equipment inoperative, while modifications in the third category did make the equipment inoperative but could be performed in a way that is consistent with modification performed under the first two categories. Modifications within the fourth and fifth categories could not reasonably be performed in a manner that would not render the original equipment inoperative.

Based on our assessment, we issued a notice of proposed rulemaking (NPRM) on September 28, 1998 (63 FR 51547; Docket No. NHTSA–98–4332–1). We proposed to exempt only those modifications in the fourth category. Modifications within this category did

to mean any action that removes or disables safety equipment or features installed to comply with an applicable standard, or that degrades the performance of such equipment or features. Violations of this provision are punishable by civil penalties of up to $5,000 per violation.

[2] 49 U.S.C. section 30122(c)(1).

[3] Estimating the Number of Vehicles Adapted for Use by Persons with Disabilities, NHTSA Research Note, December, 1997, Docket No. NHTSA–01–8667–2.

[4] 42 U.S.C. section 12101, *et seq.*

[5] A discussion of the basis for the agency's belief that many modifiers make mandatory safety equipment inoperative without first seeking authorization from NHTSA can be found in the preamble to the NPRM. 63 FR 51547 (September 28, 1998), Docket No. NHTSA 98–4332–1.

[6] H. Rep. 93–1191, pp 34–5 (1974).

not degrade safety sufficiently to prohibit the modification and were, in some cases, the only means of accommodating a particular disability. We did not consider exempting modifications within category five because we believed that the needed modification should not degrade the level of safety to such an extent as to place vehicle occupants in an inherently unsafe environment.

C. Summary of Public Comments on the NPRM

Thirty-nine comments were submitted addressing details of the NPRM. Only one organization representing persons with disabilities, Access to Independence and Mobility (AIM), commented on the proposed rule. One consumer safety group also commented, as did two vehicle manufacturers, and several modifiers, alterers, and driver rehabilitation specialists.[7] Two individuals representing state interests also commented.

In general, the comments to the notice were very supportive of our efforts. However, some commenters, primarily Advocates for Highway and Auto Safety (Advocates), vehicle alterers and AIM, raised concerns that the rule, as proposed, would unduly decrease the level of safety provided to persons with disabilities. The primary concern voiced by these entities was that the agency was not proposing to implement a rule that ensured significant, on-going monitoring of vehicle modifications. Other commenters, including modifiers and driver rehabilitation specialists, urged that exemptions be provided for some standards which we had not included in the proposed list of exemptions.

Expressing concerns regarding the safety of vehicle modifications, the University of Virginia Automobile Safety Laboratory urged that on-going studies be performed to identify vehicle modifications that constitute an unreasonable risk to safety. However, the commenter went on to say that it recognized that real world injury data would likely never be available to accurately determine the level of risk involved in vehicle modifications and to fully support NHTSA's proposal to issue limited exemptions.

While the majority of modifiers saw no need to impose any paperwork or labeling requirements on modifiers, Advocates, some alterers, and the State of Connecticut argued that paperwork and/or labels were needed to assure that only necessary modifications were performed or that vehicle owners or subsequent purchasers were aware of the modifications that were performed and that there could be some degradation of overall safety. A lively debate arose among commenters concerning the need for persons with disabilities to have a written prescription detailing the types of modifications needed. These comments were submitted primarily by members of the Association for Driver Rehabilitation Specialists (ADED) on one side of the issue and occupational therapists who are not members of ADED, some modifiers and the State of Connecticut on the other side of the issue.

II. Final Rule

Based on our review of the comments, we are today issuing a final rule that exempts certain vehicle modifications from the make inoperative provisions. The exemptions are listed in the regulatory text and will become Subpart C of Part 595 of Title 49 of the Code of Federal Regulations (CFR). This preamble explains our response to the comments and our decision to issue the final rule. While it provides important explanations of the agency's rationale in making its decision, the preamble is not part of the regulation. It should, however, be read carefully since it provides important information on why we decided to grant exemptions for some, but not all, standards; what types of modifications require an exemption; who may rely on the exemptions; and what standards may be affected by vehicle modifications, regardless of whether there is an exemption for that modification.

The exemptions adopted in this final rule generally only apply to a portion of each included standard and may have other conditions, such as the installation of wheelchair tie-down devices, placed upon it. The following chart details the standards with respect to which modifications are exempted, as well as those standards for which modifiers need to be aware that certain modifications may expose them to civil penalties.

TABLE 1

FMVSS covered by the make inoperative exemption	FMVSS not covered by the make inoption exemption	
	Modification could affect vehicle compliance	Modification would not affect compliance
101, Controls and displays, *except* for S5.2(a), S5.3.1, S5.3.2 and S5.3.5.	102, Transmission lever sequence, starter interlock, and transmission braking effect.	106, Brake hoses.
108, Lamps, reflective devices, and associated equipment, S5.1.1.5 only, when the modified motor vehicle does not have a steering wheel and it is not feasible to retain the turn signal self-canceling device installed by the vehicle manufacturer.	103, Windshield defrosting and defogging systems.	109, New pneumatic tires.
114, Theft protection, S4.4 and S4.5 only, when the original key-locking system must be modified.	104, Windshield wiping and washing system.	110, Tire selection and rims.
118, Power-operated window, partition, and roof panel systems, S4(a) only, when the medical condition of the person for whom the vehicle is modified requires a remote ignition to start the vehicle.	105, Hydraulic brake systems	116, Motor vehicle brake fluids.
123, Motorcycle controls and displays, S5.1 and S5.2.1	111, Rearview mirrors	117, Retreaded pneumatic tires.
135, Passenger car brake systems, S5.3.1 only, when the vehicle modification requires removal of the vehicle manufacturer installed foot pedal.	113, Hood latch systems	119, New pneumatic tires for vehicles other than passenger cars.

[7] Four trade associations, the Association for Driver Rehabilitation Specialists (ADED), the American Occupational Therapy Association (AOTA), the National Automobile Dealers Association (NADA), and the National Mobility Equipment Dealers Association (NMEDA), filed comments on behalf of their members who are occupational therapists and driver rehabilitation specialists in the first two instances, and alterers and modifiers in the second two instances.

TABLE 1—Continued

FMVSS covered by the make inoperative exemption	FMVSS not covered by the make inoption exemption	
	Modification could affect vehicle compliance	Modification would not affect compliance
201, Occupant protection in interior impact, only with respect to targets on the side rail, B-pillar and first ''other'' pillar adjacent to the stowed platform of a lift or ramp, or the rear header and rearmost pillars adjacent to the stowed platform of a lift or ramp.	121, Air brake systems	120, Tire selection and rims for vehicles other than passenger cars.
202, Head restraints, when the motor vehicle is modified to be driven by an individual in a wheelchair and no other seat is provided for the driver or the front passenger sits in a wheelchair and no other front passenger seat is provided, and S4.3(b)(1) and S4.3(b)(2) only, when the driver's head restraint must be modified to accommodate a driver with a disability.	124, Accelerator control systems ..	122, Motorcycle brake systems.
203, Impact protection for the driver from the steering control system, S5.1 only, when the modification requires a structural change to or removal of the original steering shaft, and S5.2 only, when an item of adaptive equipment must be mounted on the steering wheel.	206, Door locks and door retention components.	125, Warning devices.
204, Steering control rearward displacement only, when the modification requires a structural change to or removal of the original steering shaft.	209, Seat belt assemblies	129, Non-pneumatic tires for passenger cars.
207, Seating systems, S4.1 only, when the motor vehicle is modified to be driven by an individual in a wheelchair and no other seat is provided for the driver and a wheelchair securement device is installed in the driver position.	210, Seat belt assembly anchorages.	131, School bus pedestrian safety devices.
208, Occupant crash protection, S4.1.5.1(a)(1), S4.1.5.1(a)(3), S4.2.6.2, S5, S7.1, S7.2, and S7.4 only, when Type 2 or type 2A seat belts meeting the requirements of FMVSS Nos. 209 and 210 are installed in the affected seating position.	216, Roof crush resistance	205, Glazing materials.
214, Side impact protection, S5 only, when the affected seating and/or restraint system must be modified to accommodate a person with a disability.	301, fuel system integrity	212, Windshield mounting
	302, Flammability of interior materials.	213, Child restraint systems.
	303, Fuel system integrity of compressed natural gas vehicles.	217, emergency exits and window retention and release. 218, Motorcycle helmets. 219, Windshield zone intrusion. 220, School bus rollover protection. 221, School bus body joint strength. 222, School bus passenger seating and crash protection. 223, Rear impact guards. 224, Rear impact protection. 225, Child restraint anchorage systems*. 304, Compressed natural gas fuel container integrity.

* FMVSS No. 225, Child restraint anchorage systems, was issued after the publication of the NPRM proposing exemptions to the make inoperative provisions for vehicles modified to accommodate persons with disabilities. Accordingly, NHTSA has not determined whether such systems may need to be removed or modified in order to accommodate an individual with a disability. Should such a need arise, it can be addressed in a future rulemaking.

A. Summary of Key Differences Between Proposal and Final Rule

The final rule largely adopts the proposed rule except for four changes. We will require a permanently affixed label that states the vehicle may no longer comply with all Federal Motor Vehicle Safety Standards. Also, we are allowing limited exemptions for modifications affecting FMVSS Nos. 123, 201 and 114.

B. Limitations on Exemptions

In the NPRM, we proposed to issue exemptions for modifications affecting some, but not all, Federal motor vehicle safety standards. The number of exemptions was restricted for several reasons. First, the needed vehicle modifications have no impact on the safety features installed in compliance with many standards; thus, there is no need in those cases for an exemption from the make inoperative provision. Second, we decided that if, after modifications are made, the original equipment remains fully functional and readily usable by drivers or passengers other than the individual with a disability, we would not consider the modifications as making the safety equipment inoperative even though the adaptive equipment itself may not be able to meet the requirements of the affected safety standard.[8] We also

[8] When the modified system completely by-passes or alters the original equipment such that it cannot be used in conformance with the applicable standard, the modification will be considered a violation of the make inoperative provision even

Continued

determined that we would not consider a modification to violate the make inoperative provision when the original safety equipment is removed or modified so that it could not be used as designed, but the new system retains the original equipment's performance and function relative to the affected standard. Finally, we looked at all other types of modifications that could potentially void a vehicle certification and assessed the likely loss in safety that could result from a modification that fell outside of the categories described above. In most instances, we determined that the modifications would not result in a significant loss of safety. However, in some instances, we determined that the possible degradation of safety was too great to make it appropriate to grant an exemption.

Advocates was particularly vocal in expressing the belief that the NPRM did not do enough to promote the safety of persons with disabilities. As an initial matter, it challenged whether there was a need for an exemption and whether issuing an exemption would serve the interests of motor vehicle safety, stating

> NHTSA has no reliable information on the nature and extent to which vehicle modifications falling within the ambit of the FMVSS have adhered to or significantly departed from the level of safety that should be ensured for disabled vehicle occupants. Despite agency assertions that equivalent levels of safety should be provided when possible, it has no information in the record verifying that vehicle modifications to date have provided that equivalent safety.

Advocates maintained that granting a blanket exemption from a number of the safety standards to all persons engaged in the business of altering or modifying vehicles for use by the disabled drivers does nothing to assure disabled occupants that their vehicles will be altered properly and safely, that modifiers will make only those changes permitted by the exemption and will certify their work, or that future purchasers will be informed that the safety equipment has been rendered inoperable. That organization noted that the agency acknowledged in the NPRM that a substantial number of vehicle modifiers ''do not possess sufficient knowledge of the standards to judge whether a particular modification may affect a vehicle's compliance with the standards. Advocates stated that it could not understand how the proposed exemption would resolve problems posed by this lack of knowledge, stop modifiers' from performing modifications that negatively impact safety and provide adequate safety for the disabled. While acknowledging that a listing of the standards or the portions of the standard that are subject to exemption provide some clarity, it argued that

> * * * nothing in the proposed rule provides any assurance that the list will be read, understood, and correctly applied by modifiers, that modifications will be limited to only those portions of the standard that are exempt, that the modifications will be properly performed, or that the disabled driver will know what specific items of equipment were modified, in what way, and the extent to which these modifications may affect operating safety and vehicle crashworthiness.

While Advocates expressed support for vehicle modifications, including safety equipment, that are necessary to meet the mobility needs of disabled persons, it also said that the agency should adopt a stronger regulatory presence in this burgeoning area of motor vehicle safety. That organization maintained that providing a blanket exemption with no oversight fails to ensure an appropriate balance between mobility and safety, and invites abusive practices and inadequate and unsafe modifications.

Finally, Advocates claimed that the agency is proposing a broad exemption, with corollary proposals to eliminate any form of reporting or even of vehicle labeling advising of modifications, and that the proposed change in basic agency policy relinquishes fundamental oversight responsibilities at a time when effective oversight of vehicle modifications is becoming more pervasive and more important. Advocates then averred that NHTSA must maintain agency supervision and oversight of the issue, collect essential data on vehicle modifications for the disabled, and provide consumer safety information for the disabled and future purchasers of vehicles altered to accommodate the disabled.

Vantage Mini-vans, a manufacturer of minivans designed for persons with disabilities, stated that consumers deserve to drive a vehicle that meets certain safety standards. It argued that if modifications are required to make a vehicle wheelchair accessible, the consumer should know that there are no other options available other than those necessary to take the vehicle out of compliance. It said also that if there were a viable option available that would enable to modifier to leave the original safety features intact, that option should be preferred or required. After acknowledging that the companies that modify vehicles for the disabled are often very small and do not have the financial resources to crash test for every conceivable configuration of adaptive equipment, Vantage went on to state that, for modifications involving hand controls, steering modifications and seat belt modifications, an exemption for modifications affecting compliance with the relevant FMVSSs may be in order, provided another viable alternative is not available that would not take the vehicle out of compliance.

We agree that these commenters have expressed legitimate concerns. We have decided to issue a final rule establishing limited exemptions because we believe this is the best way at this time to promote the mobility of persons with disabilities while ensuring some level of safety for those persons. We also strongly recommend that equipment manufacturers, vehicle modifiers, and driver evaluators work together to ensure that the installed equipment is appropriate for both the particular vehicle and the driver, considering factors such as vehicle geometry and driver size before selecting the equipment to be installed.

We disagree with Advocates' characterization of the exemptions as broad-based. The exemptions should be viewed in the context of all standards issued by NHTSA. The exemptions have been tailored to allow for the least amount of degradation possible. The majority of modifications subject to an exemption will not result in any degradation of safety. This is because many of the exemptions are designed to address design criteria within the applicable standards that have no impact on vehicle performance. For example, FMVSS No. 135 requires the brake be operated by a foot control, even though this requirement was included in the standard to achieve harmonization rather than because of a need based on engineering principles. Modifications affecting some standards, like FMVSS No. 201, could result in a degradation of safety, but cannot be accommodated any other way. FMVSS 201 requires that test results of impacts with certain targets on specific areas of the vehicle fall below a certain level. When a lift is installed in a vehicle, the stowed platform blocks some target points. Requiring compliance with FMVSS 201 would prevent an individual who must use a wheelchair from driving or riding in a vehicle,

---

though the original equipment remains in the vehicle. (See NHTSA letter of interpretation to Senne, Kelsey & Associates, Inc., dated March 26, 1999. The agency determined that the installation of an electronic gas and brake control constituted a violation of the make inoperative provision because it did not allow for the return of the throttle to an idle position in the event of a severance or disconnection in the accelerator control system in contravention of FMVSS No. 124.)

because he or she would not be able to enter. In order to diminish any degradation in safety, we have limited the exemptions to those portions of the standard that are directly affected by the vehicle modification and have, in most instances, placed other requirements on the modifier to address legitimate safety concerns.

As pointed out by the University of Virginia, we do not have firm statistics on the effect of current vehicle modifications on vehicle safety. Current methods of obtaining motor vehicle safety statistics are based on total vehicle populations within classes of vehicles (e.g., passenger cars, light trucks). We will likely never have sufficient data to verify that modified vehicles are providing a level of safety comparable to that of non-modified vehicles. Merely identifying dangerously modified vehicles is like finding the proverbial needle in a haystack. Drawing a statistically significant correlation between such vehicles and the overall fleet that comprises our databases would be even more difficult. However, we do not believe the lack of data justifies inaction on our part.

If we do not issue a regulation providing some measure of relief to persons with disabilities, there are two likely outcomes: modifications will continue to be performed with no agency oversight, and a significant number of persons with disabilities will be unable to drive or ride in personal vehicles.

We have analyzed both available methods of making necessary modifications and our standards to determine where exemptions may be needed in order to provide reasonable accommodation of the needs of persons with disabilities. In instances in which we believe the cost of a modification that does not affect compliance with the FVMSSs is reasonable enough to be viable, we have decided against issuing an exemption. Likewise, we are not issuing exemptions for standards that address a severe risk of injury or death when alternative modification methods are available or should be easily developed. This may mean that the manufacturers of some adaptive equipment will need to either retool their products or stop selling them. Thus, far from being a ''blanket exemption,'' today's rule affects only those areas where we believe there is a minimal reduction in safety, if any.

We have decided against requiring the type of agency oversight that Advocates appears to support; i.e., approval of each modification, because such oversight has proved unworkable in the past. We receive relatively few requests to grant an exemption for the modification of specific vehicles. As discussed in the NPRM, the number of vehicles modified significantly exceeds the number of exemption requests received by this agency. Additionally, NHTSA simply does not have the staff available to review every vehicle modification request for persons with disabilities in a reasonable amount of time. Thus, today's rule more effectively analyzes the level of risk involved than the case-by-case determinations that are currently provided. Likewise, we have decided against requiring modifiers to submit detailed records of all modifications to NHTSA. Such submissions would serve no value unless they were scrutinized by agency staff who would make independent determinations as to the appropriateness of the modifications. As is the case with pre-modification submissions, we simply do not have the staff to conduct such a review. We do note that nothing in today's rule restricts our ability to bring enforcement actions against entities that make modifications that go beyond or are inconsistent with these exemptions pursuant to our statutory authority under 49 U.S.C. 30122.

We also acknowledge that today's rule does not, in and of itself, guarantee that vehicle modifications will only be performed subject to the exemptions. Today's rule will provide responsible modifiers the ability to make needed modifications without fear of running afoul of the law. It also alerts these modifiers that they need to exercise special care in performing certain modifications. In some instances, these modifiers will be required to stop performing certain modifications that they may have believed were safe. We believe this rule, in conjunction with the existing industry standards and our consumer information brochure, will significantly reduce the likelihood that vehicle modifications will be made in a manner that places the vehicle occupants at undue risk.

We have decided against adopting the position advocated by Vantage that would require all modifications be performed in conformance with all applicable safety standards unless no other method exists for performing the modification. Certainly we agree that all modifications should be performed in a manner that minimizes the impact on vehicle conformance with all safety standards. However, such a requirement would be unenforceable, since it is inherently unobjective. Instead, we believe that the criteria we have employed in determining whether an exemption is appropriate adequately ensures that modifications that are likely to have an impact on motor vehicle safety are only exempted when they cannot be done in a manner that does not void the vehicle's compliance with the standards.

C. Applicability of Exemption to Modifications Performed by Repair Businesses

In the NPRM, we proposed that the exemptions to the make inoperative provision would be available to dealers and repair businesses. Under our statutory authority, we can also issue exemptions to manufacturers and distributors.

Volvo commented that the exemptions should also apply to vehicle manufacturers since the logic presented in the NPRM appears to apply to manufacturers as well as modifiers. Independent Mobility Systems voiced a concern that vehicle alterers, who have the duty to certify, may believe the exemptions apply to them. The National Automobile Dealers Association (NADA) urged NHTSA to clarify that a ''first purchase of a vehicle in good faith for purposes other than retail'' occurs when a contract for sale is entered into between a new vehicle dealer and a purchaser. NADA argued that such a definition would ensure that only a small percentage of disability-related modifications will constitute ''alterations'' under NHTSA's regulations, thereby minimizing the number of modifications that will be eligible for the ''make inoperative'' exemption.

We do not believe that vehicle manufacturers, including alterers, should be allowed to take advantage of the exemptions in today's rule. The need for an exemption arises from two sources:

- The need to custom fit the vehicle to the disabled individual's needs and/or
- Compliance with the applicable standards could only be demonstrated by testing the vehicle after all pertinent modifications have been made, potentially destroying a unique vehicle.

We do not believe manufacturers need an exemption for either reason because they do not custom fit their vehicles. Instead, they produce a vehicle that possesses many, but not all, of the attributes needed by the end user of the vehicle.[9] All final fitting for a driver

[9] We note that this is the practice in the disability community. We are aware of other types of specialized manufacturing where the end user may order a specific vehicle that is then built by a final-stage manufacturer. In these instances, there may be cases where the final stage manufacturer is only

Continued

with a disability is done by a modifier. Thus, the manufacturer produces several vehicles of the same configuration and has the ability to test that configuration in order to certify compliance. However, we recognize NADA's concern that there are instances in which the final fitting is arguably performed prior to the vehicle's first retail sale. This would have the effect of making the business performing the work an alterer rather than a modifier. Unlike modifiers, who cannot make mandatory safety equipment inoperative without a waiver or exemption, an alterer cannot make any changes to a vehicle other that the addition of readily attachable components without certifying that vehicle, as altered complies with all safety standards that are potentially affected by the alteration. As an alterer, the business would be unable to use the exemptions provided today. The precipitating event that determines whether the work performed is an alteration or a modification is the ''first purchase of a vehicle in good faith for purposes other than retail.''

Individuals purchasing vehicles that need to be modified to accommodate a disability may enter into extensive negotiations with a dealership whereby the dealership procures the vehicle and arranges to have a business that specializes in such modifications perform the actual work. Vehicle title may or may not be passed to the end user before the modifications are made, depending on who is paying for the modifications. Often a state or the Federal government picks up the cost of some or all of the modified vehicle. They may wish to be assured that the required modifications are completed in a satisfactory manner before they submit payment for the vehicle. In such an instance, the business performing the modifications could be placed in the position of an alterer for reasons beyond its control. Thus, we believe that it is appropriate to define a ''first purchase of a vehicle in good faith for purposes other than retail'' as something other than the transfer of title. On the other hand, we believe that more is required than general inquiries about the availability of a suitable vehicle, since there is no firm commitment to purchase a vehicle at that time.

We have decided to define ''first purchase of a vehicle in good faith for purposes other than retail'' for purposes of this rule as the point at which the seller and the end user enter into a sales contract that identifies a specific vehicle to be delivered. This definition will reduce the risk of a business being deemed an alterer because it is unable to transfer title at the time the modifications are made, while ensuring that businesses do not use the exemptions to produce ''showroom'' vehicles that have been significantly altered but have not been fitted for a particular customer.[10]

We are also aware of instances in which vehicle manufacturers modify vehicles for a specific customer after the vehicle has been certified as a compliant vehicle. Several vehicle manufacturers have expressed concern in the context of the exemptions for retrofit air bag on-off switches that they cannot install a retrofit on-off switch because they are not a dealer or repair business. Similar concerns exist in this rulemaking as well. 49 CFR part 595 controls both retrofit switches and modifications to vehicles for persons with disabilities. ''Motor vehicle repair business'' is defined in 49 U.S.C. section 30122(a) as ''a person holding itself out to the public to repair for compensation a motor vehicle or motor vehicle equipment.'' Part 595 clarifies that this term includes businesses that receive compensation for servicing vehicles without malfunctioning or broken parts or systems by adding or removing features or components to or from those vehicles or otherwise customizing those vehicles. 49 CFR 595.4. Thus, a modifier would be a motor vehicle repair business within the context of Part 595.

However, a manufacturer or dealer could also be a motor vehicle repair business depending on the type of service provided in a particular circumstance. For instance, if an individual takes his or her vehicle into the dealership for repairs, the dealership is acting as a motor vehicle repair business, rather than as a ''dealer.'' In some instances, vehicle manufacturers will send technicians to work on a problem that is particularly difficult to resolve. A manufacturer could also have a vehicle transported to a centralized facility to perform a particularly difficult repair. In both instances, the vehicle manufacturer is operating as a motor vehicle repair business rather than as a manufacturer of the vehicle. We believe that the same situation should exist for exemptions under Part 595, if the business is not operating in its primary capacity as a dealer or manufacturer. If a dealer or manufacturer adds or removes features to or from a vehicle, or otherwise customizes a vehicle after the first purchase of a vehicle in good faith for purposes other than retail, then the dealer or manufacturer may utilize the exemptions detailed in Part 595. Because a dealer can also be a motor vehicle repair business, referencing dealers in the regulatory text is redundant. Accordingly, the term has been removed.

D. Standards for Which Permission Is Granted To Make Safety Features Inoperative

1. FMVSS No. 101, Controls and Displays

The purpose of FMVSS No. 101 is to ensure the accessibility and visibility of motor vehicle controls and displays to reduce the diversion of the driver's attention from driving and mistakes in selecting controls. In the NPRM, we proposed exempting all of the standard *except* the following: S5.2(a),[11] which governs the symbols and abbreviations used for certain controls; S5.3.1, which requires illumination of certain controls when the headlights are on; S5.3.2, which governs the color of telltales; and S5.3.5, which requires cabin lighting forward of the driver's H point to be able to be adjustable or turned off.

Only the Texas Transportation Institute (TTI) commented on the proposed exemption. TTI argued against an exemption to S5.2(a), positing that the lack of an exemption will require modifiers to use the symbols required by FMVSS No. 101, giving uniformity to secondary control keypads, an area that currently is not uniform. We have decided against providing an exemption to S5.2(a) because we agree that uniformity is desirable and compliance with the standard is easily accomplished.

2. FMVSS No. 108, Lamps, Reflective Devices, and Associated Equipment

FMVSS No. 108 is designed to ensure that roadways are adequately illuminated, drivers can signal their intentions to others, and vehicles are conspicuous. We had proposed to include S5.1.1.5, which requires a turn signal be self-canceling when the steering wheel rotates within the exemption. The exemption would be

manufacturing one or two vehicles of a specific configuration. Issues related to those manufacturers are being addressed in a rulemaking on the certification responsibilities of vehicles built in two or more stages.

[10] We are limiting this definition to this rule because of the unique payment arrangements that are common for vehicles modified for persons with disabilities. We have maintained in other contexts (e.g., the alteration of a hard-top sedan into a convertible) that if the work performed affects the vehicle's mandatory safety features, a label certifying compliance as to the affected portion of the vehicle is required.

[11] The NPRM incorrectly stated that an exemption was contemplated for S5.1(a). There is no such paragraph in FMVSS No. 101. The correct reference is S5.2(a).

limited to vehicles where the steering wheel has been removed and the original turn lever cannot be retained. The agency also sought comment on whether there are cases in which the original turn signal actuating device and function is not retained, and if so, if they had a self-canceling feature (particularly a self-canceling feature that is not controlled by steering wheel rotation).

We received several responses to our questions. According to one commenter, some horizontal systems remove the OEM turn signal lever. TTI noted that in other instances, a user is unable to operate the OEM turn signals and a redundant circuit is used. These systems may leave the OEM equipment intact but use a timed circuit to cancel the signal. TTI went on to maintain that these provisions can and should be required for all modifications. However, MossRehab, a driving school for people with disabilities, commented that floor-mounted hand controls generally have turn signal operation incorporated into the controls unit. These signals are not self-canceling. MossRehab went on to state that it finds manual signals to be preferable to the timed self-canceling signals.

Based on the comments, we have decided to issue the exemption as proposed. If some systems work better without a self-canceling feature, we are disinclined to prohibit that technology.

3. FMVSS No. 114, Theft Protection

We originally did not propose to allow an exemption for FMVSS No. 114 because we did not believe that any vehicle modifications would have the effect of rendering equipment installed in compliance with this standard inoperative. The standard is intended to reduce the incidence of crashes from the unauthorized operation of a vehicle and from the rollaway of vehicles with automatic transmissions that result from children playing with the gear shifts of parked vehicles.

TTI and the California Department of Rehabilitation urged us to include this standard within the exemption. According to TTI, an exemption should be added for FMVSS No. 114 since the ignition key switch is routinely replaced by a pushbutton or keypad. Many severely disabled drivers cannot use a conventional ignition key. Additionally, the steering column housing the ignition is often removed. Theft is unlikely given the formidable appearance of adaptive equipment. The California Department of Rehabilitation expressed a different concern. It argued that FMVSS No. 114 should be included because anyone who knew how to bypass a steering wheel lock function that was not key operable would know enough about the system to bypass it in any case.

Previous interpretations by our Office of the Chief Counsel regarding the use of a device other than a traditional key to meet the requirements of this standard have stated that a push button code can be a key.[12] Thus, an exemption would not be needed to address TTI's concern. However, we believe that the concern raised by the California Department of Rehabilitation is valid. Given the complexity of the modified systems, it is unlikely that someone unfamiliar with the system would know how to operate it. We are including S4.4 and S4.5 of the standard within the exemption because the requirements specifying the number of key-locking combinations is both unrealistic and unnecessary given the low number of vehicles involved.

4. FMVSS No. 118, Power-Operated Window, Partition, and Roof Panel Systems

Standard No. 118 specifies requirements for the operation of power-operated windows, partitions, and roof panels to help prevent injury or death from a window, partition, or panel closing on vehicle occupants, particularly children. The agency proposed to include S4(a) of the standard when a remote ignition device is necessary to accommodate an individual's disability. The exempted paragraph requires that ignition key be in the ''start,'' ''on,'' or ''accessory'' position in order to close the vehicle's power windows, partitions, or roof panels.

We received no comments on this proposal and it is being adopted in this rule as originally proposed.

5. FMVSS No. 123, Motorcycle Controls and Displays

FMVSS No. 123 specifies requirements for the location, operation, identification, and illumination of motorcycle controls and displays, as well as requirements for motorcycle stands and footrests. Because we believed there are no common vehicle modifications that should affect this standard, it was not discussed in the NPRM. ADED commented that modifications to motorcycle controls should be addressed so that such modifications are done in the safest manner possible.

We are now aware that some individuals with disabilities have their motorcycles modified so that they can ride on them. Such modifications could affect the placement of controls. S5.1 and S5.2.1 contain requirements that certain controls (engine stop, brake, clutch, etc) be activated by a hand or foot on a particular side of the body. The purpose of the requirements contained in these sections is to ensure safety of motorcycle operation through uniformity of controls location and operation. These requirements may be inconsistent with a particular person's disability. In those instances, the needed modification could not be performed in a manner consistent with the requirements of the standard. Uniformity of control location and operation is not a safety issue for persons with disabilities since their vehicles have been custom modified, therefore there would be no degradation of safety if controls are switched from one side to the other, or from the foot to the hand, as long as vehicle functions are not degraded. Accordingly, we have decided to allow exemption from S5.1 and S5.2.1 of FMVSS 123, when changes to motorcycle controls are necessary to allow a person with disabilities to operate his or her motorcycle.

6. FMVSS No. 135, Passenger Car Brake Systems

Standard No. 135 specifies requirements for the service brake and associated parking brake systems to ensure safe braking performance under normal and emergency braking conditions. S5.3.1 of the standard requires a foot control to operate the brakes. Believing that this foot control may need to be removed to accommodate some physical conditions, we proposed to provide an exemption from that paragraph. We sought comment on whether there are brake modifications that incapacitate the original brake controls and would affect the vehicle's compliance in any of the required performance tests. We were particularly interested in learning whether the use of a joy stick prevented an able-bodied driver from using the original brake pedal and whether either a joy stick or a power assist affects the vehicle's braking potential during the specified performance tests.

We received numerous comments about this proposed exemption. As an initial matter, it does not appear that either joy sticks or power assists have an effect on a vehicle's braking potential during the performance tests specified

[12] See letter dated May 22, 1992 to Stephen E. Selander, General Motors, and letter dated January 30, 1997 to corporation requesting confidential treatment of portions of the letter, including the name of the requestor. Confidential treatment was granted and those portions of the letter have been redacted.

in the standard or under real world driving conditions. According to the National Mobility Equipment Dealers Association (NMEDA), power-assist braking systems work in conjunction with the OEM system. TTI commented that no powered gas/brake controls (i.e., joysticks) prevent the use of OEM brake pedals or accelerators although they may introduce delays or lags. In a well-designed system, these delays are 0.1 seconds or less.

Significant disagreement arose over whether it was ever necessary to remove the brake foot pedal to accommodate a disability. Several commenters stated that they had never seen the brake pedal removed and that a removable guard be placed over or in front of the pedal if needed. The California Department of Rehabilitation argued that pedals should not be removed or blocked by adaptive equipment because non-disabled individuals need to be able to drive vehicle if necessary. TTI stated that while there may be instances in which the foot pedal needs to be removed, such an extreme modification should not be the subject of a generic exemption but should be addressed by the agency on a case-by-case basis.

Other commenters, notably NMEDA and AIM, argued that an exemption from S5.3.1 is appropriate as some conditions, such as cerebral palsy, can lead to spasms that may require the removal of the OEM foot pedals. NMEDA also stated that some technology cannot separate braking functions from steering functions, such that the OEM equipment becomes redundant. NMEDA also noted that concerns with spasms can generally be accommodated by placing a guard over the pedal.

A commenter representing the Connecticut Department of Motor Vehicles noted that any exemption to this standard should not include the requirement for an emergency braking system if a single hydraulic component fails. He noted that this function is often inadvertently eliminated in current modifications.

As proposed and adopted, the exemption to FMVSS No. 135 is limited to S5.3.1, which requires a foot control. No other portions of the standard are subject to an exemption and modifiers need to assure that all other portions of the standard, including that requiring emergency braking, are adhered to. We have decided to issue an exemption for the foot control even though the commenters stated that a pedal guard would generally resolve any potential problems. We have decided to provide an exemption for two reasons. First of all, neither FMVSS No. 105 or FMVSS No. 121 requires braking via a foot pedal. The requirement for such a pedal in FMVSS No. 135 is overly restrictive. Second, we are aware of instances where the installation of a pedal guard will not accommodate a disability. This occurs when the individual needing the accommodation is positioned in the vehicle in such a way that there is inadequate leg room. In this instance, the pedal can interfere with the individual's ability to fit in the vehicle. Since foot pedals are only rarely removed now, we do not believe that this exemption will lead to widespread removal of pedals.

7. FMVSS No. 201, Occupant Protection in Interior Impact

Standard No. 201 specifies requirements to afford protection to vehicle occupants when they strike the interior of the vehicle. While we are aware that some modifications could affect the vehicle's compliance with the standard, we did not propose extending an exemption to the standard. However, we did seek comment on whether the changes in upper interior component padding would impinge on a large, wheelchair-seated driver's line of sight.

In general, several commenters, including TTI, DaimlerChrysler, Ahnafield and Todd Vans, stated that there would be no need to provide an exemption as a result of increased padding installed by the original manufacturer because dropped floors will place the driver's line of sight at the same level as an individual seated in the original vehicle seat.[13]

NMEDA urged us to apply the exemption to wheelchair lifts and ramps that are stowed inside the vehicle while the vehicle is in use. According to this commenter, vehicles equipped with interior-mounted wheelchair lifts or ramps cannot reasonably comply with the standard because of the rigid surface of the lifts or ramps that are not susceptible to padding. Placing a padded barrier between the lift or ramp and the occupant would be unwieldy and likely would not be used. While lifts or ramps that stow under the vehicle would not implicate FMVSS No. 201, they are generally three times as expensive as systems that are stowed inside the vehicle. Thus, NMEDA requested an exemption from the standard when the lift or ramp is stowed aft of the vehicle's B-pillar.

We believe NMEDA's concerns are valid and are accommodating those concerns in this rule. The exemption applies to vehicles that have lifts or ramps that stow inside the vehicle and block the test targets called for in the standard. The exemption applies to the following:

- A right- or left-side mounted lift or ramp with a platform that stows vertically and inside the vehicle for targets located on the right or left side rail, the B-pillar, and the first ''other'' pillar (not the A-pillar) adjacent to the stowed platform or ramp.[14]
- A rear-mounted lift or ramp with a platform that stows vertically and inside the vehicle for targets located on the rear header and rearmost pillars adjacent to the stowed platform or ramp.

8. FMVSS No. 202, Head Restraints

To reduce the frequency and severity of neck injuries in rear-end and other collisions, Standard No. 202 requires all vehicles to be equipped with a head restraint at each front outboard seating position that meets specific size and performance requirements. In the NPRM, we proposed to include the standard in the exemption when the vehicle is modified for a wheelchair-seated driver or front seat passenger, and no other seat for the affected seating position is provided, or when the head restraint must be altered to accommodate a driver's impairment. The agency solicited comment on whether any wheelchair head rests were likely to meet the requirements of the standard.

All commenters addressing this standard agreed that neither swing away head rests or attachable head rests could meet the standard. Accordingly, we included the standard as part of the exemption as proposed in the NPRM.

9. FMVSS No. 203, Impact Protection for the Driver From the Steering Control System, and FMVSS No. 204, Steering Control Rearward Displacement

FMVSS No. 203 serves to reduce the likelihood and severity of head, chest,

[13] Two commenters, ToddVans and Ahnafield, objected to the practice of modifiers raising vehicles off the frame rather than lowering the floor. These concerns were not limited to FMVSS No. 201, although this was the context in which the concerns were raised. Rather, their concerns were with the change in the center of gravity and driver maneuverability. Raising vehicles off the frame does not directly implicate any safety standards. Typically vehicles are only raised off the frame a couple of inches. While this could raise the vehicle's center of gravity slightly, there is no indication that this has a negative effect on vehicle handling or that these vehicles are substantially more likely to roll over. Additionally, vehicles with dropped floors can also be more difficult to handle than the unmodified vehicle, depending on how the modification is performed. Dropping vehicle floors can also have negative consequences on the vehicle structural integrity and the fuel system. Thus, we are unable to state with any confidence that one system of modification is preferable to the other.

[14] These vehicle structural components are listed and defined in FMVSS No. 201.

neck, and facial injuries that result from impacts with the steering wheel. We proposed including S5.1 of the standard as part of the exemption if a modification requires a structural change to, or removal of, the vehicle steering shaft. Standard No. 204 reduces the likelihood and severity of head, chest, neck, and facial injuries that result from vehicle components forcing the steering shaft rearward toward the driver during a crash. We proposed including this standard in the exemption if the modification requires a structural change to, or removal of, the vehicle steering shaft. We asked whether the following modifications can be performed in a manner that preserves the vehicle's compliance with Standard No. 204's steering column displacement requirements: (1) the extension of the steering shaft, (2) the installation of horizontal steering, or (3) the installation of mechanical hand controls. We also sought comment on whether there are modifications which require changes to the steering column but not the steering shaft that could only be made in such a way as to affect the vehicle's compliance with either FMVSS No. 203 or FMVSS No. 204.

The Connecticut Department of Motor Vehicles stated that FMVSS No. 204 should not be exempted since there is no need to remove the lower steering shaft in newer systems and when the entire steering column is removed, the method of attachment is not robust enough to allow the column to transmit sufficient forces to fail FMVSS No. 204. However, both TTI and Ahnafield supported including the standard as part of the proposed exemption. According to TTI, servo steering adaptations may require the removal of the OEM steering column and associated equipment. Servo steering units are replacing horizontal steering columns in some areas of the country. Ahnafield remarked that horizontal steering systems may affect compliance with the standard. Ahnafield also requested an exemption for S5.2 of Standard No. 203, which restricts the likelihood that jewelry or loose clothing will be caught by the steering control, pointing out that jewelry can become caught on steering wheel-mounted steering control devices.

Notwithstanding the comment from the Connecticut Department of Motor Vehicles, we have decided to include S5.1 of FMVSS No. 203 and FMVSS No. 204, in its entirety, as part of the exemption. This is because other commenters indicated that at least some current market designs for adaptive steering systems do affect compliance with the standards. We do not believe that the steering column should be replaced with a non-compliant column except in the most extraordinary circumstances since the replacement of the column alone can generally be done in a manner that does not run afoul of the standards. Thus, the exemption is restricted to cases where the modification involves the removal of the steering shaft, rather than the steering column alone. In instances where the steering shaft must be removed, we will allow the modifier to also replace the steering column. This is because a modification that requires the removal of the steering shaft is so drastic that there is no way to effect the modification without taking the steering column out of compliance with the standards.

We have decided to include S5.2 of FMVSS No. 203 in the exemption as well. Some steering control devices are inherently incompatible with loose jewelry and clothing. We do not believe that a device that could catch loose clothing and jewelry is necessarily a poor design choice for individuals with certain disabilities. Since these steering control devices cannot be installed without running afoul of S5.2, we believe an exemption is appropriate in cases in which an item of adaptive equipment must be mounted on the steering wheel.

10. FMVSS No. 207, Seating Systems

To minimize the likelihood that a seat will collapse during a collision, FMVSS No. 207 requires vehicle seats to meet certain performance, installation, and attachment requirements. In the NPRM, we proposed to include S4.1 of the standard in the exemption when the vehicle is modified for a wheelchair seated driver and no other seat for that seating position is provided and a wheelchair securement device is supplied for that seating position. S4.1 requires that a compliant driver's seat be provided with the vehicle. Removing seats other than the driver's seat to replace the seat with a wheelchair location does not make inoperative FMVSS No. 207, because no other seats are specifically required by the standard and wheelchairs are not regulated as vehicle seats.

DaimlerChrysler stated that the exemption should also be given for passenger seats. We have not proposed to do so because the standard does not require that the vehicle come equipped with any seats other than one for the driver.

MossRehab agreed with our assessment in the NPRM that 6-way power base seats do not need an exemption because the base of the seat should be attached to the floor. It did question, however, whether the seat portion would remain on its base. We do not believe an exemption for 6-way power seat base is appropriate because the seat manufacturer should be able to assure that the seat does not separate from the vehicle. Likewise, the seating portion of the seat should remain attached to the base portion of the seat. Accordingly, we are limiting inclusion of FMVSS No. 207 in the exemption to S4.1, given a wheelchair securement device is supplied for the driver seating position, as proposed in the NPRM.

11. FMVSS No. 208, Occupant Crash Protection

The purpose of FMVSS No. 208 is to reduce the number of vehicle occupant injuries incurred in a collision. We recommended including the standard in the exemption as long as Type 2 or Type 2A seat belts meeting the requirements of FMVSS No. 209 are installed. An exemption would not be available if a retrofit air bag on-off switch was sufficient to accommodate the individual's disability. NHTSA sought comment from lowered floor minivan alterers on whether they have been able to certify compliance with the standard and from hand control operators on whether the original components installed to meet the standard (e.g., knee bolsters) are made inoperative by the installation of the hand controls. Finally, we sought comment from modifiers on how often they are required to disable seat belt pretensioners and why.

Comments focused on two separate requirements of the standard: air bags and knee bolsters. MossRehab stated that there are many situations in which drivers cannot position themselves far enough away from the air bag to avoid injury. Individuals who use hand controls to operate acceleration and braking may sit much closer to the wheel than is typical. According to Ahnafield, people with limited mobility do not need to sit close to the steering wheel; they can use remote devices. Independent Mobility Systems stated that there should not be a blanket inclusion of FMVSS No. 208 in the exemption, since able-bodied individuals would lose the benefit of the occupant protection system. It argued that an exemption for FMVSS No. 208 should be limited to a seating position occupied by a wheelchair. We believe this comment was directed primarily to the deactivation of the air bags.

Commenters noted that generally the installation of hand controls requires the removal of some part of the knee bolster. TTI maintained that careful

selection of mechanical hand controls and installation should eliminate or significantly reduce the amount of knee bolster removal. The California Department of Rehabilitation noted that the risk of injury from the hand control could be greater than the risk of injury from a compromised knee bolster. Crow River, NMEDA, and Independent Mobility Systems also favored an exemption from the performance requirements governing femur loads because of the need to modify knee bolsters in vehicles equipped with hand controls.

As discussed in the NPRM, only some portions of FMVSS No. 208 would be included in the exemption, and the exemption would only apply in instances where a retrofit air bag on-off switch cannot accommodate the individual's disability and the modified seating position is provided with Type 2 or Type 2A safety belts that meet the requirements of FMVSS Nos. 209 and 210.

Because of this rule, individuals who need modifications that include, but are not limited to, the installation of an air bag on-off switch or the permanent disconnection of the air bag do not need to first request permission from the agency under its existing processes for authorizing on-off switches or permanent deactivation. That permission is given here. However, with the limited exceptions discussed below, individuals who do not require *additional* vehicle modifications because of a recognized disability, e.g., short-statured individuals or the elderly, must continue to submit those requests. The only exceptions to this policy are for drivers with achondroplasia, and for passengers with atlantoaxial instability. We are not requiring prior agency authorization for these conditions because they are two of the four conditions that physicians at a National Medical Conference on evaluating air bag risks determined would always justify the deactivation of an air bag.[15] The other two conditions, scoliosis and Down's Syndrome, are not subject to the exception because not all individuals with these conditions are likely to face an increased risk from a deploying air bag. These individuals, as well as any individual whose treating physician recommends deactivation because of a specific medical condition, remain eligible for permanent air bag deactivation upon written request to the agency when no on-off switch is available.

[15] The report from this conference may be viewed at the NHTSA web site at *http://www.nhtsa.dot.gov.*

We note that air bag on-off switches will no longer be allowed after September 1, 2012 for individuals other than those who are entitled to take advantage of this rule's exemption.

12. FMVSS No. 214, Side Impact Protection

Standard No. 214's requirements serve to minimize the risk of serious or fatal injuries to vehicle occupants in side impact collisions. In the NPRM, we proposed to include S5 of the standard in the exemption. This paragraph details the dynamic performance requirements that vehicles must meet in order to comply with the standard. We requested comments on whether there were modifications, other than those that change the seat position, that would affect a vehicle's compliance with the dynamic performance requirements of the standard.

Only one commenter, NMEDA, responded to this request. It stated that modifications would not necessarily reduce door strength to an extent that the strength requirement of the standard could not be met. However, the controls or displays could be positioned between the driver and the side of the vehicles such that the thoracic injury criteria of S5.1 could not be met. Likewise, for rear seat occupants, a stowed lift could fail the standard's injury criteria.

We are limiting the exemption to instances where the restraint system or the seat must be changed to accommodate a person with a disability. We believe the exemption is appropriate in this instance because the change in the location of the seat or in the restraint system could affect the measurement of the injury criteria specified in the standard. We do not believe it is necessary to include the standard in the exemption to accommodate equipment mounted between the driver and the door (such as touch pads), because this equipment is generally light and would not be likely to cause the chest injuries that the standard seeks to prevent. We also note that FMVSS No. 214 already excludes vehicles with wheelchair lifts from the requirements of S3(f) and S5. Thus, an exemption for vehicles equipped with wheelchair lifts is unnecessary.

E. Standards for Which Permission Is Not Granted To Make Safety Features Inoperative

1. Standards Which Could Be Compromised by Vehicle Modifications

A detailed discussion of the types of vehicle modifications that could affect a vehicle's conformance with a specific safety standard can be found in the NPRM. Unless expressly addressed in the responses to that document, we will not describe those systems again here.

a. *FMVSS No. 102, Transmission lever sequence, starter interlock, and transmission braking effect.* FMVSS No. 102 requires automatic transmissions to have: (1) A specified transmission shift lever sequence, (2) a starter interlock, and (3) at least one low gear. We solicited comment on whether modifications to the method by which the vehicle is started and the transmission gear is selected are necessary to accommodate a person with a disability.

NMEDA replied that it is aware of one touchpad system where the transmission shifter is located in the keypad which could change the sequence, disable the starter interlock, or disable the lower forward drive gear. We have decided against including Standard No. 102 as part of the exemption because we believe that the existence of a single, noncomplying system is insufficient to justify an exemption to the standard. Other, complying systems are available. We also note that merely placing the shifter on a touchpad does not make the original equipment inoperative. As stated in our withdrawal of rulemaking on this standard in November 1999, ''Standard No. 102 only specifies a sequence for shift 'levers.' Therefore, possible automatic transmission designs like pushbuttons, keypads, and touch screens are not subject to the shift lever sequence requirements, since they have no levers.''

b. *FMVSS No. 103, Windshield defrosting and defogging systems, and FMVSS No. 104, Windshield wiping and washing systems.* FMVSS No. 103 and FMVSS No. 104 specify requirements for the area of the windshield that must be cleared by the defrosting and defogging systems and the windshield wiping and washing systems, respectively. As noted in the NPRM, vehicle modifications commonly result in the relocation of switches and a reduction in the features normally available to the driver while the vehicle is in motion. We are unaware of any reason why a modification would affect the performance level of these systems to the extent that a vehicle no longer complied with these standards. We received no comments on the NPRM indicating that there was, in fact, a need for an exemption. Accordingly, we are not including these standards.

c. *FMVSS No. 105, Hydraulic brake systems, and FMVSS No. 121, Air brake systems.* Standard No. 105 and Standard No. 121 govern the performance of various braking systems in different

types of vehicles. Standard No. 105 applies to multipurpose passenger vehicles (MPVs), trucks, buses and passenger cars with hydraulic brake systems that were manufactured before September 1, 2000. Standard No. 121 applies to trucks, buses and trailers equipped with air brake systems. Like Standard No. 135, these two standards help ensure safe vehicle braking performance in normal and emergency driving situations. In the NPRM, we sought comment on whether there are brake modifications that incapacitate the original brake controls and would affect the vehicle's compliance in any of the required performance tests. We were particularly interested in learning whether the use of a joy stick prevented an able-bodied driver from using the original brake pedal and whether either a joy stick or a power assist affects the vehicle's braking potential during the specified performance tests.

Our discussion of braking systems, as well as our summary of the comments submitted to the NPRM, are provided earlier in the discussion on FMVSS No. 135. Unlike that standard, neither of these standards require a foot control. Accordingly, no exemption is needed.

d. *FMVSS No. 111, Rearview mirrors.* To ensure that drivers have a clear and unobstructed view to the rear of the vehicle, Standard No. 111 specifies the location, field of view, magnification and labeling of rearview mirrors on all vehicles. Crow River commented that a modifier may need an exemption if the placement of the driver, due to modifications, changes the driver's field of view through the rearview mirror. When mirrors are relocated, extra mirrors are added, or larger mirrors are substituted for the original rear view mirrors when vehicles are modified for persons with disabilities, NHTSA does not believe these modifications should affect the vehicle's certification with the standard. Additionally, NHTSA does not believe that such a modification is advisable since it could unduly restrict the driver's field of view. Accordingly, no provision is being made to include FMVSS No. 111 in the exemption.

e. *FMVSS No. 113, Hood latch systems.* Standard No. 113 requires that cars, MPVs, trucks and buses have a second latch position on the hood latch system to prevent the hood from unlatching, opening, and blocking a driver's view through the windshield. As stated in the NPRM, we are not aware of any modifications that are made to the hood latch system, although we realize that the method of unlatching the system may sometimes need to be modified. We asked whether there are modifications that would require eliminating the second latch position in contravention of the standard. We received no comments on this issue. Accordingly, we have decided against including this standard in the exemption.

f. *FMVSS No. 124, Accelerator control systems.* Standard No. 124 is intended to help prevent runaway acceleration of vehicles. The standard requires a vehicle's throttle to return to its idle position when the driver withdraws all force from the accelerator control or when there is a disconnection in the accelerator system between the control and the engine. The predominant vehicle modification affecting compliance with this standard is the removal or blocking of the accelerator pedal when the driver uses hand controls. The standard does not require a foot pedal serve as the accelerator.

DaimlerChrysler noted that it is aware of complete servocontrol systems that use a joystick that may preclude the use of the accelerator pedal and require its removal. We believe that this situation is directly analogous to brake pedals and the requirements of FMVSS Nos. 105 and 121. For the same reasons provided in the discussion of those standards, we do not believe an exemption is needed. Additionally, we note that systems where the hand-operated control bypasses the original accelerator and the modified accelerator cannot meet the requirements of the standard, an exemption would be inappropriate because the driver may be unable to stop the vehicle.[16]

g. *FMVSS No. 206, Door locks and door retention components.* To minimize the likelihood that vehicle occupants will be ejected from a vehicle during a crash, Standard No. 206 requires hinged side doors, rear doors and sliding doors to meet certain performance requirements. It also requires hinged side door latches to have both a primary latching position and a secondary latching position.

All commenters who responded to the portion of the NPRM addressing this standard except DaimlerChrysler argued that an exemption should be allowed for the standard. DaimlerChrysler stated that the use of existing occupant restraints is more important in reducing the likelihood of ejection than a compliant door latch. Some electrically and remotely operated door systems do not retain the original latch/locking mechanism. However, there are some power-operated door lock/latch systems that are coupled with the OEM latch/lock systems; accordingly, no exemption is needed. The standard currently has an exclusion for side doors equipped with platform lifts as long as the lifts are linked with an alarm system. We sought comment in the NPRM on whether the original latching mechanisms must be disabled or changed in the course of vehicle modifications in a manner that takes them out of compliance with the standard.

TTI stated that all the sliding door or swinging door automatic openers that it has encountered on full-size van conversions involve the removal of or making inoperative the OEM latches. The doors are held shut by the cable, chain or actuator arms of the automatic door opener (the minivan conversions retain the OEM latch in some form). TTI does not know if these systems are as effective as the OEM latches. However, for independent driving, an automatic door opener is crucial.

NMEDA commented that all after-market automatic door openers require the removal of the OEM systems. The OEM automatic door openers are not yet available to modifiers. In the same vein, Crow River suggested a temporary exemption to allow for the retooling of existing automatic door openers.

The California Department of Transportation stated that NHTSA should include FMVSS No. 206 in the list of exempted standards, because no aftermarket door openers retain the OEM latch. This commenter believes that the fact that no one has presented any evidence that discarding the door latch is *necessary* to the installation of an automatic door opener is not a good reason to deny the exemption for this standard. It also argued that the current exemption for doors equipped with platform lifts that have alarm systems is misguided since it offers no guarantee that there will not be an ejection.

We are evaluating the current exclusion in FMVSS No. 206 regarding side doors with lifts. Part of this evaluation includes the pending petition to extend the exclusion to vehicles with ramps. We are not addressing that exclusion in this rule. We have decided against allowing a broader exclusion from Standard No. 206 as part of this rulemaking even though several commenters support such an exclusion. The primary purpose of the standard is to prevent ejections from vehicles. Currently, ejection through windows or doors accounts for nearly 25% of all motor vehicle fatalities.

We agree with DaimlerChrysler that extending the exemption to FMVSS No. 206 would be inappropriate. While most of the existing modifications to vehicle doors may take the vehicle out of

[16] See NHTSA letter of legal interpretation to Senne, Kelsey & Associates, Inc., dated 3/26/1999.

compliance with the standard, the current performance requirements for Standard No. 206 are not onerous. Additionally, we are very concerned about the risk of an ejection should a door latch and/or hinge system fail. Finally, we are aware of remote access designs being developed by vehicle manufacturers that would allow vehicle modifications that do not take the vehicle out of compliance with the standard. Accordingly, we do not believe an exemption would be consistent with motor vehicle safety. We recognize that many automatic door opener manufacturers will need to retool their products if they wish to continue selling them. However, developing the necessary technology should not be difficult and best serves the need for motor vehicle safety. Thus, other than the exclusion that is already contained within FMVSS No. 206, we do not believe an exemption is warranted.

h. *FMVSS No. 209, seat belt assemblies*. This standard sets out requirements for seat belt assemblies as items of motor vehicle equipment. We did not propose to include Standard No. 209 as part of the exemption in the NPRM since we saw no reason that modifiers could not use compliant assemblies. Simply moving the belt anchors or using a different belt does not necessarily cause a noncompliance with FMVSS No. 209 or FMVSS No. 210. We received no comment regarding this issue and are not including the standard in the exemption.

i. *FMVSS No. 210, Seat belt assembly anchorages*. Standard No. 210 is a vehicle standard that establishes strength and location requirements for seat belt assembly anchorages. The requirements ensure that the belt loads during a crash are transferred to the skeleton of the occupant and not to the occupant's soft tissue. The standard also ensures that the restraint anchorages are strong enough to withstand a crash. Like FMVSS No. 206, compliance with this standard is fairly simple to measure. We did not propose including this standard in the exemption in the NPRM because we believed that if belt anchorages are moved, or otherwise modified to accommodate a person with a disability, measurements, calculations, or engineering judgment could be used to ensure that the standard continues to be met.

Only TTI commented on this section of the notice, commenting that it was not always possible for wheelchair users to use the original safety belt. As noted in the NPRM, compliance with this standard is easily demonstrated. Accordingly, no exemption is warranted.

j. *FMVSS No. 216, Roof crush resistance.* FMVSS No. 216 is intended to reduce the number of deaths and injuries caused by a roof crushing into the vehicle cabin during a rollover. As explained in the NPRM, we do not believe it is necessary for a raised roof to be installed in a manner that takes the vehicle out of compliance with the standard. However, we requested comment on whether there are raised roofs that must be installed in a way that adversely affects the vehicle's compliance with the standard or if there are ways to raise the roof other than through the installation of a commercially-made raised roof.

NMEDA commented that the available replacement roofs that it is aware of do not assure compliance with FMVSS No. 216. However, reinforcements can be added that would not take the raised roof out of compliance. According to TTI, many vocational rehabilitation agencies require raised roofs to be supplemented by a reinforced structure under the roof. However, the California Department of Rehabilitation cautioned that the added weight to raised roofs to prevent roof crush creates handling problems that should not be discounted.

Our Office of Vehicle Safety Compliance has done one demonstration test using the FMVSS No. 216 compliance test on a conversion van that was fitted with a fiberglass roof and that did not have a reinforcing cage. The vehicle was able to pass the test. Accordingly, we do not believe it is necessary to include this standard in the exemption.

k. *FMVSS No. 301, Fuel system integrity and FMVSS No. 303, Fuel system integrity of compressed natural gas vehicles*. To reduce deaths and injuries occurring from fires caused by leaking fuel during and after a crash, Standard No. 301 and Standard No. 303 set performance requirements for fuel systems in crashes. Preserving fuel system integrity in a crash to prevent occupant exposure to fire is extremely important to all persons, but perhaps even more so for persons with disabilities since they may require more time to exit a vehicle. Accordingly, we did not propose including these standards in the exemption even though we know some vehicle modifications could take a vehicle out of compliance with the applicable standard.

Congressman John Moakley wrote that exemptions should not be allowed for modifications to fuel systems that would take a vehicle out of compliance because conversions can be performed that do not affect the alteration of the fuel system. Likewise, NMEDA commented that no exemption should be offered for FMVSS Nos. 301 and 303 because the process of moving the fuel tank, supply lines, and filler neck while lowering a floor can compromise compliance with the standards. Ahnafield claimed that there have never been any reported or documented problems with the fuel system modifications that have been made by the industry so far. We continue to believe that including Standard Nos. 301 and 303 in the exemption is inappropriate.

l. *FMVSS No. 302, Flammability of interior materials.* Like Standard No. 301 and Standard No. 303, FMVSS No. 302 is designed to reduce the likelihood of death or injury from fires. In order to reduce this risk, particularly from fires that originate in the vehicle's interior, Standard No. 302 specifies that any material within one-half inch of the occupant compartment air space meet specified flammability requirements. Materials meeting the standard are readily available and the standard's test procedure is relatively easy. Accordingly, we did not propose to provide an exemption to this standard.

We received no comments suggesting that an exemption was either needed or appropriate. Accordingly, we are not including the standard in this rule.

2. Standards Which Are Unaffected by Vehicle Modifications

We believe the following safety standards are unaffected by any vehicle modifications needed to accommodate an individual with a disability. None of the commenters to the NPRM indicated that these standards could be so affected. These standards are not subject to an exemption from the make inoperative provision: FMVSS No. 106, Brake hoses; FMVSS No. 109, New pneumatic tires; FMVSS No. 110, Tire selection and rims; FMVSS No. 116, Motor vehicle brake fluids; FMVSS No. 117, Retreaded pneumatic tires; FMVSS No. 119, New pneumatic tires for vehicles other than passenger cars; FMVSS No. 120, Tire selection and rims for vehicles other than passenger cars; FMVSS No. 122, Motorcycle brake systems; FMVSS No. 125, Warning devices; FMVSS No. 129, New non-pneumatic tires for passenger cars; FMVSS No. 131, School bus pedestrian safety devices; FMVSS No. 205, Glazing materials; FMVSS No. 212, Windshield mounting; FMVSS No. 213, Child restraint systems; FMVSS No. 217, Bus emergency exits and window retention and release; FMVSS No. 218, Motorcycle helmets; FMVSS No. 219, Windshield zone intrusion; FMVSS No.

220, School bus rollover protection; FMVSS No. 221, School bus body joint strength; FMVSS No. 222, School bus passenger seating and crash protection; FMVSS No. 223, Rear impact guards; FMVSS No. 224, Rear impact protection; FMVSS No. 225, Child restraint anchorage systems; and FMVSS No. 304, Compressed natural gas fuel container integrity.

F. Modifications not Contemplated by the Final Rule

In the NPRM, we stated that we intended to preserve our existing procedure for making case-by-case determinations on whether to waive enforcement against modifications that would not be subject to the exemption under final rule and that could not be made in a manner that did not compromise the vehicle's compliance with the standards. NMEDA and Advocates for Ohioans with Disabilities agreed that we need to provide some mechanism that will allow for adaptations not contemplated by the NPRM. We have decided to continue to review these individual requests upon written submission. All requests should be submitted as early as possible, since the agency will need time to review the request and draft an appropriate response.

G. Gross Vehicle Weight Ratings

Gross vehicle weight ratings (GVWR) are not controlled by any specific standard. However, the requirements of a given standard may vary depending on a vehicle's GVWR. Only the vehicle manufacturer can specify GVWR. Often vehicle modifications can significantly add to a vehicle's ''unloaded vehicle weight'' and therefore can reduce the load carrying capacity of a vehicle. Consumers would likely not realize, and often are not told, that the load carrying capacity of their vehicle, in terms of passengers, luggage, and routine cargo, has been reduced by the vehicle modifications. Overloading can lead to premature wear of vehicle components and can create significant safety problems. Accordingly, the modifier must provide the consumer with specific information about the load carrying capacity of the vehicle after the modifications are completed if that load carrying capacity has been reduced by more than 220 pounds (100 kg). In providing this information, the modifier must state whether the weight of a user's wheelchair is included in the available load capacity.

H. Applicability of Exemptions to Commercial Vehicles

Two commenters raised concerns that were unique to commercial vehicles. Congressman John Moakley wrote that commercial vehicles should only be allowed to transport passengers using SAE-compliant wheelchairs that are tested in the specific conversion in which they will be used. Suspension Compression Systems strongly disagreed with including any standard in the exemption that affects the front seat passenger seat position in commercial applications, in particular FMVSS Nos. 201, 202 and 208, averring that the front seat occupant has not made a conscious choice to trade off safety benefits for increased mobility. We do not believe there is a need to exclude commercial vehicles from the exemption created by this rule.

Most commercial vehicles used for transporting persons with disabilities can be altered prior to their first retail sale since there is no need to fit the vehicle for a specific individual. In such a case, there is no exemption from any standards. In instances in which the vehicle is modified after the first retail sale, we believe that prohibiting modifiers from utilizing the exemption because of the commercial/personal use status of the vehicle is unworkable. Such a prohibition would place the onus on the modifier rather than the owner to determine how the vehicle would be used. Additionally, we note that Congressman Moakley's suggestion would require that each commercial vehicle come with SAE-compliant wheelchairs since the vehicle operator would have no other way of guaranteeing that passengers have such wheelchairs. Such a requirement would seriously limit the amount of space available in the vehicle since the passengers' personal wheelchair would have to be stowed somewhere on the vehicle. Likewise, prohibiting wheelchair passengers in the front seat reduces the carrying capacity of the vehicle. As a general matter, occupants are safer in the back seat than the front seat. However, there is no indication that a passenger seated in a wheelchair to the rear of the B-pillar is at any greater risk from whiplash, the condition contemplated by FMVSS No. 202, than a front seat occupant. Proper use of tie-down devices and safety belts would help ameliorate any additional risk for a wheelchair-seated occupant in the right front seating position as compared to a wheelchair-seated occupant in a rear seating position, particularly when the passenger air bag has been disabled pursuant to the exemption for FMVSS No. 208.

III. Prescriptions, Labeling, and Recordkeeping Requirements

A. Prescriptions and Professional Evaluations

In the NPRM, we noted that an occupational therapist or other trained professional often evaluates the driving capabilities of a person with a disability and then writes a prescription detailing needed vehicle modifications. We did not contemplate specifying who was qualified to make a determination of driving ability. We did, however, ask several questions regarding current industry practice in conducting of driver evaluations and the use of prescriptions, and regarding whether such prescriptions assist in ensuring that only necessary modifications are made. The purpose underlying the questions was to determine whether we should require vehicle modifiers to keep a record of vehicle and equipment prescriptions to induce the modifiers to take care that modifications for persons with disabilities are completed in a manner that truly meets the particular individual's needs without any unnecessary modifications and to discourage modifiers from circumventing the requirements of the various safety standards.

Two issues, whether a prescription should be required as a condition of the exemption and who should be considered to be qualified to write that prescription, produced the greatest divergence in opinion among the commenters. Comments on those issues were received from occupational therapists, vehicle modifiers, certified driver rehabilitation specialists, NADA, and one state.

Those supporting mandatory prescriptions argued that an exemption from Federal motor vehicle safety standard requirements should be provided only when vehicle modifications are absolutely necessary. They stated that the determination of what modifications are necessary is typically done by means of a driver evaluation and prescription for driving equipment provided by a qualified specialist. The commenters averred that the most appropriate person to evaluate an individual desiring vehicle modifications is a trained driver evaluator. Noting that the technology currently available for use by persons with disabilities to drive independently or to ride safely as a passenger in a vehicle is advancing and constantly changing and improving, the commenters argued that trained

individuals are needed to keep up with the technology and how that technology can best be used. Commenters supporting this view were the American Occupational Therapy Association, ADED, and NMEDA, among others.

According to ADED, a certified driver rehabilitation specialist is such a trained individual. The American Occupational Therapy Association advocated that prescriptions be issued by either occupational therapists or certified driver rehabilitation specialists. It maintained that occupational therapists are adequately qualified to make driver evaluations based on their specialized training regardless of whether they are certified driver rehabilitation specialists. However, individuals in other professional disciplines may also be qualified to make an evaluation if they have completed the training required to become certified.

Those opposed to mandatory prescriptions, primarily modifiers, but also some representatives of state organizations and persons with disability advocacy groups, argued that excluding individuals who are not certified driving rehabilitation specialists from evaluating and prescribing vehicle modifications would unnecessarily increase the burden on the disabled community, increasing costs and limiting access to needed vehicle modifications (particularly in rural areas). They said that prescriptions, while helpful to many disabled individuals unaware of current technology, should not be required as a condition for a make inoperative exemption. These commenters claimed that driving capability evaluations and prescriptions are unnecessary to limit modifications to individuals who need them because it is unlikely that an able-bodied individual would have a vehicle modified as contemplated by the NPRM so as to avoid mandated safety measures. Access Wheels, a modifier, commented that prescriptions are rarely used and then only to justify the payment of the modification costs by a third party. It then stated that sophisticated modifications generally are the result of a professional determination of driver capability in large part because of the exceptionally high cost of such modifications. It stated also that the vast majority of modifications involve relatively simple, and less expensive vehicle alterations, and thus are modifications for which professional evaluations of capabilities are unnecessary.

NADA did not take any position on whether prescriptions were needed, stating that prescriptions, evaluations, or other reports should be provided to the modifier, consistent with current practice. It went on to say that a NHTSA-approved customer request process is not needed. The Connecticut Department of Motor Vehicles noted that some states require prescriptions. For those that do not, it believes requiring an individual without a prescription to receive permission from NHTSA is not onerous.

After evaluating the comments and based on our own knowledge of the industry, we conclude that it is unlikely that persons without disabilities will try to take advantage of the exemptions in today's final rule because they are so narrowly written and because of the expense of such modifications. Additionally, given the current practice in the industry not to require or rely on prescriptions for relatively simple and inexpensive modifications, we see no need to add an additional burden to an already time-consuming and expensive process.

B. Labeling Requirements and Customer Information

We did not propose any specific requirements for labels, customer information, or recordkeeping in the NPRM. However, we solicited comment on whether such requirements were needed to aid disabled persons or regulations enforcement personnel and what burden such requirements might place on modifiers, who are largely small businesses.

Several commenters, including NMEDA, the Connecticut Department of Motor Vehicles, and NADA, stated that labels identifying the work performed on the vehicle should be required so that questions of future modifiers/repair businesses about how the work was done can be answered. Access Wheels maintained that labeling is an unnecessary burden. It said that it had never seen a modification that was not immediately apparent. Also, anyone selling a modified vehicle would likely advertise the modifications rather than attempt to hide them, since this would allow them to recover some of the cost of the modifications.

We have decided to require a label stating that the vehicle has been modified pursuant to the exemption in part 595 and may no longer comply with all safety standards and providing the name and street address of the modifier. This label, which is to be affixed to the vehicle directly adjacent to the manufacturer or alterer's certification label in the same manner as that label, will allow repair businesses and subsequent owners to determine who modified the vehicle. The persons can contact the modifier if they have questions about the specific nature of the work performed and the potential safety consequences of that work. We are requiring a street address, instead of a post office box, to assist in locating the modifier through the Internet or directory assistance. We are not requiring modifiers to indicate on the label which exemptions they have taken advantage of because we want to keep the label sufficiently small so that it can be placed next to the certification label.

The same commenters who supported labels (e.g., NMEDA, the Connecticut Department of Motor Vehicles, NADA, and Advocates) argued that requiring modifiers to identify potential safety consequences of modifications and tell customers before the work does not seem overly burdensome and is already required by at least one state (Connecticut). They stated customers should be specifically informed about potentially noncompliant, but exempt, modifications, and modifiers should also be required to identify any steps they would take to minimize noncompliance. Advocates averred that the agency has a responsibility to require modifiers to include permanent notification to any subsequent owners in the vehicle identifying the specific modifications that have been made to that vehicle, the specific safety standards that were affected, and the effects that those modifications will have on operating safety and vehicle crashworthiness. The Connecticut Department of Motor Vehicles stated that such disclosure would clear up questions by end users who say they had no idea of the trade-offs and accordingly did not make an informed decision.

Access Wheels argued against such a requirement, stating that mandatory disclosure of steps taken to minimize noncompliance would add to modifiers' costs and administrative burdens. It stated that other factors, such as liability insurance premiums, state motor vehicle regulations, funding specifications, and OEM warranty constraints, as well as the cost of modifications, dictate that a modifier make as few changes to the vehicle as possible.

We considered three types of owner's manual inserts that could be used to provide information to the vehicle user:

(1) A generic insert describing the most commonly made modifications and the possible safety consequences of those modifications;

(2) An insert listing the standards affected by the modifications to the particular vehicle; and

(3) An insert describing the particular modifications made to that particular vehicle.

We have decided against requiring any type of owner's manual insert for several reasons. The information in a generic insert may not apply to a particular vehicle and could be confusing. We have also determined that the development of a very detailed insert tailored to each modified vehicle would be overly burdensome. Additionally, the vehicle invoice, which is received once the modifications were performed, often provides some details about what modifications were made. As discussed earlier, modified vehicles are normally customized for a particular individual. Accordingly, we believe persons with disabilities will know many of the modifications that will be needed to accommodate their particular disabilities. Likewise, in many instances, the effect of the modification on an existing system and the safety consequences that the modifications will have on crash avoidance and crashworthiness will be readily discernible.

We are, however, requiring modifiers to provide the vehicle owner with a list of standards, or portions thereof, with which the vehicle may no longer be in compliance due to modifications performed under this exemption. This document, which could simply be the invoice, would also have to indicate any reduction in load carrying capacity of more than 220 pounds (100 kg). The modifier would be required to retain a copy of this document for a period of five years.

Nothing in today's rule precludes a modifier from detailing in writing the specific modifications to be performed on the vehicle and the potential impact of those modifications on the vehicle's crash avoidance and crashworthiness capabilities. We note, however, that *requiring* modifiers to provide detailed information on how each modification was performed and what effect the modification could have on compliance with applicable safety standards could result in the expenditure of a significant amount of time and effort. Such a document would have to be tailored to each vehicle, and the cost involved in preparing the document would not be spread over a large number of vehicles. Thus, the cost, per insert, could be high. Since the cost of such labors would likely be passed onto the individual paying for the modifications, we believe such a document, while possibly helpful, should not be required. This is particularly true when the final invoice already generally details what modifications were made to the vehicle, as well as the name of the company performing the modifications. Because the nature of the modifications could be relevant to future purchasers or repair businesses, we urge owners of these vehicles to keep the invoice with the vehicle documentation.

Advocates strongly objected to our decision not to propose recordkeeping requirements. It stated that NHTSA must install a system of oversight that ensures appropriate and timely review of modifications performed pursuant to the proposed rule. Advocates maintains that if the agency does not require modifiers to maintain records of the vehicles they modify or to notify the agency of such modifications, it would not only eliminate any possibility of prospective oversight, the exemptions would compromise the legal position of members of the disabled community in their ability to rely on appropriate documentation of the modifications performed by these commercial operations. Advocates went on to charge that NHTSA is issuing a blanket exemption which will receive no prospective oversight by the agency of the extent to which vehicle modifications have undermined the safe travel of disabled persons. They maintained that the proposed exemption, in essence, substitutes the vagaries of the marketplace in lieu of a comprehensive regulatory approach. While this will promote mobility, Advocates is concerned it will not ensure that the disabled are accorded the safety protection required by the safety standard after a vehicle modification is performed.

NMEDA offered a counterview, stating that modifiers or owners should not have to perform any of the following tasks: fill out written requests, certify the need for modifications, certify having read the information concerning the safety consequences of modifications, or obtain prior agency approval of their requests. According to NMEDA, modifiers also should not have to inform the agency that they have made modifications or specify what those modifications are. NMEDA did not offer any reasons for its position, other than stating such requirements would be burdensome.

We disagree with Advocates' assertion that the rights of the disabled community will be compromised by the agency declining to establish detailed reporting requirements. As discussed above, nothing in today's rule prevents an individual with disabilities from requesting and securing documentation detailing both the modifications to be performed as well as the potential safety impact of those modifications. Additionally, we are requiring modifiers who intend to avail themselves of the exemption to provide us with information that is similar to the type of information manufacturers are required to submit under 49 CFR 566. Under today's rule, these modifiers will be required to provide us with a document that provide their name, address, and a statement that they modify vehicles for individuals with disabilities and intend to avail themselves of the exemption created by this rule. Any changes in that information would have to be conveyed to the agency within 30 days of the change. This requirement, coupled with the requirement that the modifiers retain a document that specifies the standards with which the vehicle may no longer be in compliance that was discussed above, should guarantee a high degree of accountability without straining the resources of the agency or the modifiers.

IV. Regulatory Analyses and Notices

A. Executive Order 12866 and DOT Regulatory Policies and Procedures

NHTSA has considered the impact of this rulemaking action under Executive Order 12866 and the Department of Transportation's regulatory policies and procedures. This rulemaking document was not reviewed under E.O. 12866, ''Regulatory Planning and Review'' and is not considered ''significant'' within the meaning of the Department of Transportation's regulatory policies and procedures. NHTSA has determined that the impacts are so minimal that a full regulatory evaluation is not warranted.

The agency believes the safety disbenefits, if any, will be minimal. The modifications should not reduce the safety of individuals with disabilities since the types of permissible modifications are limited. Further, without the modifications, those individuals would not be able to operate or ride in motor vehicles, and thus could not benefit at all from the Federally-required safety equipment and features. Modifying a vehicle to allow disabled individuals to operate or ride in motor vehicles may result in some loss of safety for any individuals without disabilities who operate or ride in those motor vehicles. However, we believe any loss of safety will be minimal. We do not expect many individuals without disabilities to use seating positions specially modified for persons with disabilities. Further, as noted above, the number of affected standards is very small. Finally, the number of vehicles so modified will be relatively small.

The expected impact of this rule on vehicle modifiers is low. Their method and cost of doing business will only be changed to the extent that those who are now modifying vehicles in a manner that makes mandatory safety equipment inoperable now have clear guidance on which modifications are permissible. Some modifiers may have to depart from the way in which they have performed various modifications in the past to stay within the parameters of the agency's exemption. However, such a departure need not always cost more and will minimize any disbenefits associated with the fundamentally unsafe nature of the previous method of performing the modification. Only nominal costs related to the labeling requirements are imposed on vehicle modifiers.

B. Regulatory Flexibility Act

We have considered the effects of this rulemaking action under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) Most modifiers are considered small entities. I hereby certify that this rule will not have a significant economic impact on a substantial number of small entities. As explained above, this action replaces the current requirement that vehicle modifiers write to NHTSA and request permission each time they need to modify a vehicle in a way that compromises a vehicle's compliance with any standard in order to accommodate an individual with a disability. While most modifiers are considered small entities, the rule does not impose any mandatory significant impact on them since: (1) For the vast majority of cases, we believe the rule codifies existing standard industry practices and procedures used to make vehicle modifications, (2) the rule assists vehicle modifiers in making appropriate design choices, and (3) the rule eliminates the costs associated with submitting a written request to NHTSA to modify each vehicle as well as the costs associated with waiting for the agency's response. Therefore, a Regulatory Flexibility Analysis is not required.

C. National Environmental Policy Act

NHTSA has analyzed this proposed amendment for the purposes of the National Environmental Policy Act and determined that it will not have any significant impact on the quality of the human environment.

D. Executive Order 13132 (Federalism)

The agency has analyzed this rulemaking in accordance with the principles and criteria contained in Executive Order 13132 and has determined that it does not have sufficient federalism implications to warrant consultation with State and local officials or the preparation of a federalism summary impact statement. The final rule has no substantial effects on the States, or on the current Federal-State relationship, or on the current distribution of power and responsibilities among the various local officials.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 requires agencies to prepare a written assessment of the costs, benefits and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local or tribal governments, in the aggregate, or by the private sector, of more than $100 million annually (adjusted for inflation with base year of 1995). This rule will not have a significant expenditure of funds by State, local and tribal governments. Additionally, the cost of the Rule will not exceed the expenditure of over $100 million by the private sector.

F. Executive Order 12778 (Civil Justice Reform)

This final rule does not have any retroactive effect. The rule does not repeal any existing federal law or regulation. Additionally, the rule does not preempt any causes of action in state or Federal court. The rule modifies existing law only to the extent that it replaces an agency procedure under which vehicle modifiers had to obtain our permission to modify a vehicle to accommodate a person with a disability in a way that compromised the vehicle's compliance with the Standard. This rule does not require submission of a petition for reconsideration or other administrative proceedings before parties may file suit in court.

G. Paperwork Reduction Act

This final rule includes the following ''collections of information,'' as that term is defined in 5 CFR Part 1320 *Controlling Paperwork Burdens on the Public:*

Labels—New labels are specified in this final rule that specify that modifications have been made to a vehicle subject that take the vehicle out of conformance with certain safety standards. At present, OMB has approved NHTSA's collection of labeling requirements under OMB clearance no. 2127–0512, *Consolidated Labeling Requirements for Motor Vehicles (Except the Vehicle Identification Number).* This clearance will expire on 6/30/2001, and is cleared for 71,095 burden hours on the public.

For the following reasons, NHTSA estimates that the new labels will have a negligible increase in the information collection burden on the public. There are approximately 2,295 vehicles modified for persons with disabilities per year. The label will be placed on each affected vehicle once. Since, in this final rule, NHTSA specifies the exact content of the labels, the manufacturers will not have to spend any hours in developing the labels. NHTSA estimates the technical burden time (time required for affixing labels) to be .0042 hours (15 sec) per label. NHTSA estimates that the total annual burden imposed on the public as a result of the vehicle modification labels will be 9.6 hours (2,295 vehicles multiplied by .0042 hours per label), even if every vehicle modified requires a label. The maximum annual cost of labels for all affected vehicles will be about $1,150.

Modifier identification—Modifiers who take advantage of the exemption created by this rule will be required to furnish NHTSA with a written document providing the modifier's name, address, and telephone number, and a statement that the modifier is availing itself of the exemption. We are currently seeking OMB review of this collection of information, which would not be required until 180 days after the publication of this rule in the **Federal Register**.

Identification of which portions of the exemption are being used—Modifiers who avail themselves of the exemption created by today's rule will be required to keep a record for each applicable vehicle listing which standards, or portions thereof, no longer comply with the Federal motor vehicle safety standards. We are currently seeking OMB review of this collection of information.

H. Regulation Identifier Number (RIN)

The Department of Transportation assigns a regulation identifier number (RIN) to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. You may use the RIN contained in the heading at the beginning of this document to find this action in the Unified Agenda.

I. Plain Language

Executive Order 12866 and the President's memorandum of June 1, 1998, require each agency to write all rules in plain language. Because this rule codifies exceptions to certain

portions of specific Federal motor vehicle safety standards, it is written in such a way that cross-references to the affected portions of those standards are given. We believe that this is the most efficient way to reference the standards and that this method also provides the most clarity as to which safety requirements are exempted as a result of this rule.

J. Executive Order 13045

Executive Order 13045 (62 FR 19885, April 23, 1997) applies to any rule that: (1) is determined to be ''economically significant'' as defined under Executive Order 12866, and (2) concerns an environmental, health or safety risk that NHTSA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, we 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 us.

As noted earlier, this rule is not economically significant. Additionally, this rule will not have a disproportionate effect on children. This rulemaking directly involves decisions based on health risks that affect children only to the extent that a child is the intended benefactor of the vehicle modification. The majority of exemptions provided pursuant to this rule affect drivers who have a disability. Some of the exemptions accommodate the special needs of vehicle passengers. To the extent the passenger is a child, there may be some safety disbenefit for that child. However, this disbenefit is weighed against the benefit of allowing the child to leave the house in a family's personal conveyance. Absent modifications, the child might not be able to ride at all.

K. National Technology Transfer and Advancement Act

Section 12(d) of the National Technology Transfer and Advancement Act (NTTAA) requires NHTSA to evaluate and use existing voluntary consensus standards [17] in its regulatory activities unless doing so would be inconsistent with applicable law (e.g., the statutory provisions regarding NHTSA's vehicle safety authority) or otherwise impractical. In meeting that requirement, we are required to consult with voluntary, private sector, consensus standards bodies. Examples of organizations generally regarded as voluntary consensus standards bodies include the American Society for Testing and Materials (ASTM), the Society of Automotive Engineers (SAE), and the American National Standards Institute (ANSI). If NHTSA does not use available and potentially applicable voluntary consensus standards, we are required by the Act to provide Congress, through OMB, an explanation of the reasons for not using such standards.

This rule is procedural in nature and does not adopt any standards, consensus-based or otherwise. In the preamble to this rule, we have noted that SAE standards and industry guidelines do exist that may assist a modifier in determining how to perform a modification that minimizes any negative impact on safety.

List of Subjects in 49 CFR Part 595

Disability, Imports, Motor vehicle safety, Motor vehicles.

For the reasons set forth in the preamble, NHTSA is amending Part 595 of Title 49 of the Code of Federal Regulations as follows:

PART 595—EXEMPTIONS FROM THE MAKE INOPERATIVE PROHIBITION

1. The authority citation for part 595 continues to read as follows:

Authority: 49 U.S.C. 322, 30111, 30115, 30117, 30122, and 30166; delegation of authority at 49 CFR 1.50.

2. Part 595 is amended by revising §§ 595.1 and 595.2, designating §§ 595.1 through 595.4 as Subpart A—''General'', designating § 595.5 as Subpart B—''Retrofit On-Off Switches for Air Bags'', and adding a Subpart C to read as follows:

§ 595.1 Scope.

This part establishes conditions under which the compliance of motor vehicles and motor vehicle equipment with the Federal motor vehicle safety standards may be made inoperative.

§ 595.2 Purpose.

The purpose of this part is to provide an exemption from the ''make inoperative'' provision of 49 U.S.C. 30122 that permits motor vehicle dealers and motor vehicle repair businesses to install retrofit air bag on-off switches and to otherwise modify motor vehicles to enable people with disabilities to operate or ride as a passenger in a motor vehicle.

* * * * *

Subpart C—Vehicle Modifications To Accommodate People With Disabilities

§ 595.6 Modifier identification.

(a) Any motor vehicle repair business that modifies a motor vehicle to enable a person with a disability to operate, or ride as a passenger in, the motor vehicle and intends to avail itself of the exemption provided in 49 CFR 595.7 shall furnish the information specified in paragraphs (a)(1) through (3) of this section to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590.

(1) Full individual, partnership, or corporate name of the motor vehicle repair business.

(2) Residence address of the motor vehicle repair business and State of incorporation if applicable.

(3) A statement that the motor vehicle repair business modifies a motor vehicle to enable a person with a disability to operate, or ride as a passenger in, the motor vehicle and intends to avail itself of the exemption provided in 49 CFR 595.7.

(b) Each motor business repair business required to submit information under paragraph (a) of this section shall submit the information not later than August 27, 2001. After that date, each motor business repair business that modifies a motor vehicle to enable a person with a disability to operate, or ride as a passenger in, the motor vehicle and intends to avail itself of the exemption provided in 49 CFR 595.7 shall submit the information required under paragraph (a) not later than 30 days after it first modifies a motor vehicle to enable a person with a disability to operate, or ride as a passenger in, the motor vehicle. Each motor vehicle repair business who has submitted required information shall keep its entry current, accurate and complete by submitting revised information not later than 30 days after the relevant changes in the business occur.

§ 595.7 Requirements for vehicle modifications to accommodate people with disabilities.

(a) Any motor vehicle repair business that modifies a motor vehicle to enable a person with a disability to operate, or ride as a passenger in, the motor vehicle is exempted from the ''make inoperative'' prohibition of 49 U.S.C. 30122 to the extent that those modifications affect the motor vehicle's compliance with the Federal motor vehicle safety standards or portions thereof specified in paragraph (c) of this section. Modifications that would take a

[17] Voluntary consensus standards are technical standards developed or adopted by voluntary consensus standards bodies. Technical standards are defined by the NTTAA as ''performance-based or design-specific technical specifications and related management systems practices.'' They pertain to ''products and processes, such as size, strength, or technical performance of a product, process or material.''

vehicle out of compliance with any other Federal motor vehicle safety standards, or portions thereof, are not covered by this exemption.

(b) Any motor vehicle repair business that modifies a motor vehicle to enable a person with a disability to operate, or ride as a passenger in, the motor vehicle in such a manner as to make inoperative any part of a device or element of design installed on or in the motor vehicle in compliance with a Federal motor vehicle safety standard or portion thereof specified in paragraph (c) of this section must affix to the motor vehicle a permanent label of the type and in the manner described in paragraph (d) of this section and must provide and retain a document of the type and in the manner described in paragraph (e) of this section.

(c)(1) 49 CFR 571.101, except for S5.2 (a), S5.3.1, S5.3.2, and S5.3.5 of that section.

(2) S5.1.1.5 of 49 CFR 571.108, in the case of a motor vehicle that is modified to be driven without a steering wheel or for which it is not feasible to retain the turn signal canceling device installed by the vehicle manufacturer.

(3) S4.4 and S4.5 of 49 CFR 571.114, in any case in which the original key-locking system must be modified.

(4) S4(a) of 49 CFR 571.118, in any case in which the medical condition of the person for whom the vehicle is modified necessitates the installation of a remote ignition switch to start the vehicle.

(5) S5.1 and S5.2.1 of 49 CFR 571.123, in any case in which the modification necessitates the relocation of original equipment manufacturer's controls.

(6) S5.3.1 of 49 CFR 571.135, in any case in which the modification necessitates the removal of the original equipment manufacturer foot pedal.

(7) 49 CFR 571.201 with respect to:

(i) Targets located on the right side rail, the right B-pillar and the first right side ''other'' pillar adjacent to the stowed platform of a lift or ramp that stows vertically, inside the vehicle.

(ii) Targets located on the left side rail, the left B-pillar and the first left side ''other'' pillar adjacent to the stowed platform of a lift or ramp that stows vertically, inside the vehicle.

(iii) Targets located on the rear header and the rearmost pillars adjacent to the stowed platform of a lift or ramp that stows vertically, inside the vehicle.

(8) 49 CFR 571.202, in any case in which:

(i) A motor vehicle is modified to be operated by a driver seated in a wheelchair and no other seat is supplied with the vehicle for the driver;

(ii) A motor vehicle is modified to transport a right front passenger seated in a wheelchair and no other right front passenger seat is supplied with the vehicle; or

(9) S3(b)(1) and (b)(2) of 49 CFR 571.202, in any case in which the driver's head restraint must be modified to accommodate a driver with a disability.

(10) S5.1 of 49 CFR 571.203, in any case in which the modification necessitates a structural change to, or removal of, the original equipment manufacturer steering shaft.

(11) S5.2 of 49 CFR 571.203, in any case in which an item of adaptive equipment must be mounted on the steering wheel.

(12) 49 CFR 571.204, in any case in which the modification necessitates a structural change to, or removal of, the original equipment manufacturer steering shaft.

(13) S4.1 of 49 CFR 571.207, in any case in which a vehicle is modified to be driven by a person seated in a wheelchair and no other driver's seat is supplied with the vehicle, provided that a wheelchair securement device is installed at the driver's position.

(14) S4.1.5.1(a)(1), S4.1.5.1(a)(3), S4.2.6.2, S5, S7.1, S7.2 and S7.4 of 49 CFR 571.208 for the designated seating position modified, provided Type 2 or 2A seat belts meeting the requirements of 571.209 and 571.210 of this chapter are installed at that position.

(15) S5 of 49 CFR 571.214 for the designated seating position modified, in any cases in which the restraint system and/or seat at that position must be changed to accommodate a person with a disability.

(d) The label required by paragraph (b) of this section shall:

(1) Be permanently affixed to the vehicle,

(2) Be located adjacent to the original certification label or the alterer's certification label, if applicable,

(3) Give the modifier's name and physical address,

(4) Contain the statement ''This vehicle has been modified in accordance with 49 CFR 595.6 and may no longer comply with all Federal Motor Vehicle Safety Standards in effect at the time of its original manufacture.''

(e) The document required by paragraph (b) of this section shall:

(1) Be provided, in original or photocopied form, to the owner of the vehicle at the time the vehicle is delivered to the owner,

(2) Be kept, in original or photocopied form, at the same address provided on the label described in paragraph (c) of this section for a period not less than five years after the vehicle, as modified, is delivered to the individual for whom the modifications were performed,

(3) Be clearly identifiable as to the vehicle that has been modified,

(4) Contain a list of the Federal motor vehicle safety standards or portions thereof specified in paragraph (c) of this section with which the vehicle may no longer be in compliance.

(5) Indicate any reduction in the load carrying capacity of the vehicle of more than 100 kg (220 lb) after the modifications are completed. In providing this information, the modifier must state whether the weight of a user's wheelchair is included in the available load capacity.

Issued on February 20, 2001.

L. Robert Shelton,

Executive Director.

[FR Doc. 01–4655 Filed 2–21–01; 3:13 pm]

BILLING CODE 4910–59–P

Federal Register

Tuesday,
February 27, 2001

Part IV

Department of State

Office of Protocol; Gifts to Federal Employees From Foreign Government Sources Reported to Employing Agencies in Calendar Year 2000; Notice

DEPARTMENT OF STATE

[Public Notice 3566]

Office of Protocol; Gifts to Federal Employees From Foreign Government Sources Reported to Employing Agencies in Calendar Year 2000

The Department of State submits the following comprehensive listing of the statements which, as required by law, Federal employees filed with their employing agencies during calendar year 2000 concerning gifts received from foreign government sources. The compilation includes reports of both tangible gifts and gifts of travel or travel expenses of more than minimal value, as defined by statute.

Publication of this listing in the **Federal Register** is required by section 7342(f) of Title 5, United States Code, as added by section 515 (a)(1) of the Foreign Relations Authorization Act, Fiscal Year 1978 (Public Law 95–105, August 17, 1977, 91 Stat. 865).

Dated: January 15, 2001.

David Carpenter,

Acting Under Secretary for Management.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
Appalachian Regional Commission			
Jesse L. White, Jr.—Federal Co-Chairman.	Recd—April 3–11, 2000; Est. Value—$10,410.00; Expended for airfare, hotel, and meals.	Agriculture Department of Western Australia, Australia.	Guest speaker and panelist at a conference on rural economic development.
Commerce			
J. Michael Rowe, Director, Center for Neutron Research.	Recd—April 18, 2000; Est. Value—$452.00; Expended for lodging and meals.	Institute of Nuclear Energy Research, Taipei, Taiwan.	To participate in a review of a proposed new research reactor.
J. Michael Rowe, Director, Center for Neutron Research.	Recd—April 18, 2000; Est. Value—$868.00; Expended for lodging and meals.	Australian Nuclear Science and Technology Organization, Sydney, Australia.	To participate in a review of solicitation and bidding for a new research reactor in Australia.
Willie E. May, Chief, Analytical Chemistry Division.	Recd—April 12, 2000; Est. Value—$676.00; Expended for lodging and airfare.	Centro de Investigacion en Ciencia Aplicada Y Technologia Avanzada del Instituto, Politecnico Nacional, Mexico City, Mexico.	To speak at the First International Meeting on Metrology.
NASA			
Anne Marie Chaka, Spouse	Academic fellowship stipened for spouse; Recd—January 1–March 1, 2000; Est. Value—$6000.00.	Fritz-Haber Institute, Max Planck Society, Germany.	Max Planck Fellowship arranged for spouse through her employer, The Lubrizol Corporation.
Anne Marie Chaka, Spouse	Expended for airfare, hotel and meals for spouse; Recd—July 4, 2000; Est. Value—$900.00.	University of Padua, Italy	Spouse presented invited seminar on surface physics.
Anne Marie Chaka, Spouse	Expended for airfare, hotel and meals for spouse; Recd—January 1–July 7, 2000; Est. Value—$1500.00.	CECAM (European Science Foundation).	Spouse presented invited seminar on surface physics in Lyons, France.
Michelle Hawes, Spouse	Expended for airfare for spouse; Recd—October 31, 2000; Est. Value—$449.68.	Russian Aviation and Space Agency.	Commercial flights from Moscow to Baikonur unavailable. Russian Agency provided transportation.
U.S. House of Representatives			
Jennifer J. Bottegal, Rep. Cramer	Food, lodging and transportation in Moscow; Recd—April 15–22, 2000; Est. Value—$not submitted.	Russia	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
David McIntosh, Member of Congress.	Food, lodging and travel within State of Israel; Recd—January 6–14, 2000; Est. Value—$not submitted.	The State of Israel	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
M. Douglass Bellis, Legislative Counsel.	Food, lodging and ground transportation in Dublin, Ireland.	Ireland	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
M. Douglass Bellis, Legislative Counsel.	Meals and lodging and transportation in Moscow; Recd—April 15–22, 2000; Est. Value—$not submitted.	Russia	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
Mark Kirk, International Relations Comm.	Air transportation from Amman to Petra, Jordan and back; Recd—April 2, 1999; Est. Value—$not submitted.	Hashemite Kingdom of Jordan	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
John Steele, Rep. McIntosh	Food, lodging and travel within State of Israel; Recd—January 6–14, 2000; Est. Value—$not submitted.	The State of Israel	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
Ethan Cooper, Rep. Curt Weldon	Food, lodging and transportation in Moscow; Recd—April 15–22, 2000.	Russia	Authorized by 5 U.S.C. 7342(c)(1)(B)(ii).
	U.S. Senate		
Diana Enzi, spouse of Senator Enzi	Transportation with Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Brian McKeon, Minority Counsel Foreign Relations Committee.	Transportation from Bogota to bases in Southern Colombia and return to Bogota via National Police aircraft, including lunch; Recd—March 14, 2000; Est. Value—$not submitted.	Government of Colombia	Official travel to review U.S.-Colombian counter-narcotics programs. Commercial transportation not available.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
Marcia Lee, Professional Staff, Foreign Relations Committee.	Transportation from Bogota to Cartagena and return; Recd—April 19–20, 2000; Est. Value—$not submitted.	Government of Colombia	Invited by President to accompany him on the flight to Cartagena. No commercial flight available on return to Bogota.
Brian McKeon, Minority Counsel Foreign Relations Committee.	Transportation from Bogota to Cartagena and return; Recd—April 19–20, 2000; Est. Value—$not submitted.	Government of Colombia	Invited by President to accompany him on the flight to Cartagena. No commercial flight available on return to Bogota.
Henry (Bob) Nickel, Secretary of NATO PA Delegation, Office of Senator Roth.	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
William V. Roth, Jr., U.S. Senator	Transportation within Australia via bus, including some meals; Recd—January 6–14, 2000; Est. Value—$not submitted.	Government of Australia	Official travel to participate in Asia Pacific Parliamentary Forum.
Harry Reid, U.S. Senator	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Landra Reid, Spouse of Senator Reid.	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Ranit Schmelzer, Press Secretary to Democratic Leader.	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
George V. Voinovich, U.S. Senator	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Janet Voinovich, spouse of Senator Voinovich.	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Sally Walsh, Director, Interparliamentary Services.	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Marcia Lee, Professional Staff, Foreign Relations Committee.	Transportation from Bogota to bases in Southern Colombia and return to Bogota via National Police aircraft, including lunch; Recd—March 14, 2000; Est Value—$not submitted.	Government of Colombia	Official travel to review U.S.-Colombian counter-narcotics programs. Commercial transportation not available.
Charles E. Grassley, U.S. Senator	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Daniel Bob, Special Assistant Asian and Pacific Affairs, Senator Roth.	Transportation within Australia via bus, including some meals; Recd—January 6–14, 2000; Est. Value—$not submitted.	Government of Australia	Official travel to participate in Asia Pacific Parliamentary Forum.
Mike Enzi, U.S. Senator	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Kolan Davis, Chief Counsel and Legislative Director, Senator Grassley.	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Christopher J. Dodd, U.S. Senator	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Randy DeValk, Legislative Assistant to Democratic Leader.	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Linda Daschle, spouse of Senator Daschle.	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Julia Hart, Professional Staff, Office of Interparliamentary Service.	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Tom Daschle, U.S. Senator	Transportation within Egypt via small aircraft, including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Jackie Clegg, spouse of Senator Dodd.	Transportation within Egypt via small aircraft including meals; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non acceptance would cause host government embarrassment.
Ian Brzezinksi, Professional Staff, Foreign Relations Committee.	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000;.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrassment.
Daniel K. Akaka, U.S. Senator	Transportation within Egypt, including meals during official travel; Recd—January 16, 2000; East Value—$not submitted.	Arab Republic of Egypt	Non-acceptance would cause host government embarrassment.
Millie Akaka, spouse of Senator Akaka.	Transportation within Egypt including meals during official travel; Recd—January 16, 2000; Est. Value—$not submitted.	Arab Republic of Egypt	Non acceptance would cause host government embarrassment.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
Joseph R. Biden, Jr., U.S. Senator.	Lodging at Presidential Guest House; accompanied President on aircraft from Bogota to Catagena and on round trip to a Colombian national park; transportation from Cartagena to Port of Spain, Trinidad; Recd—April 19–21; Est. Value—$not submitted.	Government of Republic of Colombia.	Official travel to review U.S.-Colombian counter-narcotics programs. The military transport that had been authorized for Trinidad trip developed mechanical problems and U.S. government plane not available.
Barbara Grassley, spouse of Senator Grassley.	Transportation within Slovenia via helicopter to participate in official fact-finding events; Recd—May 31, 2000; Est. Value—$not submitted.	Government of Republic of Slovenia.	Non-acceptance would cause host government embarrasment.
Air Force			
Col. Neil Kacena, U.S. Liaison Office, Doha, Qatar.	Silver and gold rosewater decanter, incense burner, and coffee pot; Recd—July 1, 1994; Ext. Value—$1000.00; On official display at USLO in Doha, Qatar.	Qatari Assistant Chief of Staff for Operations and Training, Brigadier General Mohammed bin Fahd Al-Thani.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Colonel Bruce Kerins, Chief, U.S. Liaison Office, Doha, Qatar.	Inscribed and encased gold Arabic coffee pot and cup; Recd—July 3, 2000; Est. Value—$1000.00; On official display at USLO in Doha, Qatar.	General Headquarters Chief of Staff, Logistics, Qatari Armed Forces.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Colonel Frederick R. Rauch II, Commander, 320th Air Expeditionary Group, Saudi Arabia.	Sword approx. 2½″ long steel blade, small white plastic handle with gold ornamentation, in gold sheath; Recd—July 23, 2000; Est. Value—$400.00; Pending turn in to GSA.	H.R.H. Abdul Aziz Bin Fahad Bin Abdul Aziz Saud, son of the King of Saudi Arabia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Merrill McPeak, Former Chief of Staff, USAF.	Diamond and platinum necklace, 4 platinum stars with diamond insets, Approx. ½ carat, on 18-inch platinum and silver box chain; Recd—December 22, 1994; Est. Value—$8000.00; Turned into GSA on September 28, 2000.	Republic of Korea	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Breitling emergency watch, serial #1476; Recd—December 29, 1999; Est. Value—$4000.00; Turned in to GSA on March 24, 2000.	Lieutenant General Carrel, Swiss Air Force Chief of Staff.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Breitling professional aerospace watch, serial #17090; Recd—October 19, 2000; Est. Value—$3300.00; Pending turn in to GSA.	Brigadier General Khalid, Air Chief for the United Arab Emirates.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Silver horse and carriage figurine; Recd—August 25, 2000; Est. Value—$250.00; On official display at Air House, CSAF's residence.	Vice Air Marshall Jamal Uddin Ahmed, Air Chief, Bangladesh.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Lladro aviator statute; Recd—June 26, 2000; Est. Value—$595.00; On official display at Air House, CSAF's residence.	General Juan Antonio Lombo Lopez, Air Chief, Spain.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Oriental rug, 3′ × 5′; Recd—February 4, 2000; Est. Value—$300.00; On official display at Air House, CSAF's residence.	General Tantawi, Chief of Defense, Egypt.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Samurai sword with stand and helmet; Recd—March 28, 2000; Est. Value—$325.00; On official display at Air House, CSAF's residence.	Major General Kunio Orita, 6th Air Wing Commander, Japanese Air Self Defense Force.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Breitling emergency watch, serial #3115; Recd—December 28, 1999; Est. Value—$4000.00; Turned in to GSA on March 24, 2000.	General Fornasiero, Italian Air Force Chief of Staff.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Men's coach watch, serial #W5165019039; Recd—December 21, 2000; Est. Value—$405.00; Turned in to GSA on March 24, 2000.	Brigadier General Yousel Al-Otabi, Kuwait Air Force Chief of Staff.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	24-inch gold chain; Recd—November 11, 2000, Est. Value—$775.00; Turned in to GSA on March 24, 2000.	General Tantawi, Chief Egyptian Defense 5 U.S.C. 7342(f)(4).	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	7½ inch gold scarab bracelet; Recd—November 11, 2000; Est. Value—$375.00; Turned in to GSA on March 24, 2000.	General Hattata, Egyptian MOD, Chief of Staff.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	6-inch gold key chain with cartouche of General Ryan; Recd—November 11, 1999; Est. Value—$850.00; Turned in to GSA on March 24, 2000.	General El Karaldy, Abu Suwayr Air Base, Egypt.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Oriental rug, 3′ × 5′; Recd—November 30, 1999; Est. Value—$300.00; On official display at Air House, CSAF's residence.	General Tantawi, Chief of Defense, Egypt.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	4½ inch gold key chain in Queen Nephertiti bust; Recd—November 11, 1999; Turned in to GSA on March 24, 2000.	General Hammamm, Egyptian Southern Air Force Commander.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Michael E. Ryan, Chief of Staff, USAF, Washington, D.C.	Ladies Fendi wristwatch, serial #770L001–359; Recd—December 21, 1999; Turned in to GSA on March 24, 2000.	Brigadier General Yousel Al-Otabi, Kuwait Airforce Chief of Staff.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Lt. Col. Melinda M. Edwards, Branch Chief, Arabian Gulf Political Military Division, Directorate of Plans.	Oil Painting (village scene in Bangladesh—24″ × 40″) Recd—March 24, 2000; Est. Value—$450.00; Approved for official use.	Prince Turki Bin Nasser, Saudi Arabia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
General Charles F. Wald, Commander, U.S. Central Command Air Force.	Brietling men's aerospace watch, model E65062, serial #11694; Recd—May 10, 2000; Est. Value—$1800.00; On official display at HQ USCENTAF, Shaw Air Force Base, South Carolina.	Brigadier Staff Pilot Khalid Abdullah Mubarak Al Buainnain Al Mazroue, Commander United Arab Emirates Air Force and Air Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs. Michael E. Ryan, wife of Chief of Staff, USAF, Washington, D.C.	Solid silver purse; Recd—August 25, 2000; Est. Value—$350.00; On official display at Air House, CSAF's residence.	Vice Air Marshall Jamal Uddin Ahmed, Air Chief, Bangladesh.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs. Michael E. Ryan, wife of Chief of Staff, USAF, Washington, D.C.	18K gold necklace; Recd—October 10, 2000; Est. Value—$300.00; Pending turn in to GSA.	Lt. General Litzerakos, Air Chief for Greece.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Sheila Widnall, former SECAF	Persian rug, 6′ 7½″ × 4′5″ Recd—September 15, 1996; Est. Value—$800.00; Turned in to GSA on June 29, 2000.	Colonel Sultan Bin Harhan Al-Milhim, Saudi Arabia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Vice Admiral Douglas Katz, U.S. Liaison Office, Doha, Qatar.	Gold sword in case, inscribed; Recd—July 1, 1994; Est. Value—$500.00; On official display at USLO in Doha, Qatar.	Qatari Assistant Chief of Staff for Operations and Training, Brigadier General Mohammed bin Fahd Al-Thani.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Central Intelligence Agency			
An Agency Employee	18kt yellow gold flat chain link necklace and matching bracelet, modern (2 dwt); Recd—June 10, 1999; Est. Value—$300.00; To be retained for official display.	5 U.S.C. 7342(f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Georgian School, 20th Century Three Wise Men with Mary, Christ Child and Joseph in an arched interior, signed and dated 1943 in reverse oil on canvas (19¾ × 31½ inches); Recd—March 27, 2000; Est. Value—$300.00; To be retained for official display.	5 U.S.C. 7342(f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Mother-of-pearl and black mother-of-pearl diorama of The Last Supper and a nativity scene, modern, architectural form with arched pediment applied Bethlehem/Gloria, above and inset panel depicting the nativity scene within the date 2000 (18×20×4); Recd—June 22, 2000; Est. Value—$500.00; To be retained for official display.	5 U.S.C. 7342(f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Yellow gold mesh bracelet and pair of tassel pierced earrings, modern; Recd—December 7, 2000; Est. Value—$300.00; To be retained for official display.	5 U.S.C. 7342(f)(4)	Non-acceptance would have caused ambarrassment to donor and U.S. Government.
George J. Tenet, Director	Swiss 18kt yellow good tank-type man's wristwatch, retailed by Cartier, with date, minute and stop watch subsidiaries, No. C147722, with brown alligator style band; Recd—March 28, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342(f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Neculai Paduraru (b. 1946) Women kneeling at an arched minor (20 × 13¾); Recd—August 16, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Mother-of-pearl and black mother-of-pearl diorama of The Last Supper and a nativity scene, modern, architectural form with arched cornice applied Bethlehem, above The Last Supper and an inset panel depicting the nativity scene within the year 2000 (13½ × 16¼ × 3¼); Recd—June 15, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	18kt. Yellow gold and turquoise two-piece ensemble, modern, designed by Imseeh, consisting of: a necklace with five Arabic inscription rectangular panels alternating with oval cabochon turquoise attached with chains; together with a pair of clip pierced earrings in a fitted blue simulated alligator case; Recd—May 25, 2000; Est. Value—$500.00; To be retained for official display.	5USC 7342 (f)(4)	Non acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Mother-of-pearl and black mother-of-pearl diorama of the Last Supper and the nativity scene, modern, architecturally formed as a city wall with the date 2000 and parquetry inlaid Bethlehem (22 × 3/12); Recd—April 20, 2000; Est. Value—$500.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
George J. Tenet, Director	Kazakistan rug. 10 feet 3 inches by 6 feet 6 inches, modern, red ground with a vertical row of star medallions on blue to salmon ground, rosette and diamond guard border on red ground; Recd—March 29, 2000; Est. Value—$500.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Sterling flat 24-piece table service, modern, pattern similar to Old English Thread pattern, consisting of: 6 place knives; six place forks; six tablespoons, six teaspoons (each marked 925K); Recd—March 30, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Gold and Silver inlaid iron-mounted brown leather sheath kindjal with a bond handle, modern, in a fitted fruit-wood wine red velvet lined case; Recd—March 27, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Set of five Italian silver medallions depicting various architectural scenes in Rome, modern, each marked 925 with star 124ML, in a red cloth mounted red velvet lined fitted box (2⅜″–3 oz.); Recd—March 31, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Icon of St. George slaying the Dragon, modern, termpera on panel with a partial gift and embossed sliver oclad, fitted in a gift wood frame (8 × 7); Red—August 15, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
George J. Tenet, Director	Filigree silver and oval polished agate mounted sheath dagger, modern (24″ long); Reced—April 3, 2000; Est. Value—$300.00; To be retained for official display.	5USC 7342 (f)(4)	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Commerce			
T.H. William M. Daley, Secretary	Oil Painting (village scene in Bangladesh—24″ × 40″) Recd—March 24, 2000; Est. Value—$450.00; Approved for official use.	H.E. Abdul Jalil, Minister of Commerce of Bangladesh/Dhaka.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Defense			
Alina L. Romanowski, DASD, Near Eastern and South Asian Affairs, ISA.	Gold engraved bracelet; Recd—November 19, 2000; Est. Value—$725.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, CINC Egyptian Armed Forces.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Colonel Michael W. Callan, USAF Military Assistant to ASD/ISA.	4′8″ Camel Rug; Recd—November 22, 2000; Est. Value—$290.00; OSD/WHS/Gift Vault.	Egyptian Field Marshall Hussein Tantawy, Commander in Chief of the Armed Forces.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Henry H. Shelton, Chairman Joint Chiefs of Staff.	3″ × 5′, hand woven area rug; Recd—February 14, 2000; Est. Value—$1,000.00; Official display/OJCS.	Lt. General Hatata, Egyptian Chief of Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Henry H. Shelton, Chairman Joint Chiefs of Staff.	Decorative sword w/inlaid wood; Recd—June 30, 2000, Est. Value—$300.00; Official display/OJCS.	General-Colonel Safar A. Abiyev. Minister of Defense, Republic of Azerbaijan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Henry H. Shelton, Chairman Joint Chiefs of Staff.	Antique Drachmas; Recd—November 30, 2000; Est. Value—$270.00; Official Display/OJCS.	General Manoussos Paragioudakis, Chief Hellenic National Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Henry H. Shelton, Chairman Joint Chiefs of Staff.	Sword; Recd—April 5, 2000; Est. Value—$290.00; Official Display/OJCS.	Field Marshall Ali Abdallah Salih, Yemen.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Henry H. Shelton, Chairman Joint Chiefs of Staff.	Gold bracelet w/jewels; Recd—June 15, 2000; Est. Value—$720.00; Official display/OJCS.	General Arpino, Italian Chief of Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Henry H. Shelton, Chairman Joint Chiefs of Staff.	Chess Set; Recd—March 21, 2000; Est. Value—$325.00; Reported to GSA for purchase.	General Dem Enrique Cervantes Aquirre, Secretary of Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
General Myers, Vice Chairman Joint Chiefs of Staff.	Leather briefcase, burgundy; Recd—August 1, 2000; Est. Value—$270.00; OSD/WHS/Gift Vault.	LTG Albanese, Argentina	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs. Carolyn Shelton, Spouse of Henry H. Shelton, Chairman Joint Chiefs of Staff.	Gold and diamond necklace; Recd—April 18, 2000; Est. Value—$1360.00; Reported to GSA for purchase.	Lt. General Hatata, Egyptian Chief of Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs. Carolyn Shelton, Spouse of Henry H. Shelton, Chairman Joint Chiefs of Staff.	Gold and diamond necklace; Recd—February 14, 2000; Est. Value—$1380.00; Official display/OJCS.	Lt. General Hatata, Egyptian Chief of Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs. Carolyn Shelton, Spouse of Henry H. Shelton, Chairman Joint Chiefs of Staff.	Gold necklace and matching bracelet; Recd—September 14, 2000; Est. Value—$410.00; Official display/OJCS.	Mrs. Tatyara Pirtskailiashvili, Spouse of the Georgian Chief of General Staff.	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
T.H. William S. Cohen, Secretary	Silk carpet, 5′3″ × 4′, gold w/mosaic design; Recd—Unknown; Est. Value—$1000.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Painting of man and women outdoor scene; Recd—Unknown; Est. Value—$310.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Silver Candelabrum, 24″ × 25″ tall; Recd—Unknown; Est. Value—$290.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Gold and silver 18″ necklace w/L shaped diamond designs; in black felt case; Recd—November 21, 2000; Est. Value—$890.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, CINC, Minister of Defense and Military Production.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Tea Set, eight piece; Recd—Unknown; Est. Value—$275.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Chess Set; Recd—Unknown; Est. Value—$420.00; OSD/WHS/Gift Vault.	Possibly Middle Eastern, no individual indicated.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Commemorative Gold Coin 200gms; Recd—April 10, 2000; Est. Value—$360.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Silk Carpet, 5.5″ × 4.5′, gray and red colors; Recd—Unknown; Est. Value—$1000.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, CINC of the Armed Forces, Minister of Defense and Military Production.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Bronze incense burner; Recd—Unknown; Est. Value—$270.00; OSD/WHS/Gift Vault.	Chun Yong-teak, Minister of National Defense, Republic of Korea, Korean National Treasure Number 287.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Double bladed knife, silver and gold; Recd—Unknown; Est. Value—$300.00; OSD/WHS/Gift Vault.	Saudi Arabia	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	2.5″ diameter gold medallion	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	2.5″ diameter gold medallion	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Crystal Set (gun, mallet, and dagger); Recd—In 1997; Est. Value—$360.00; OSD/WHS/Gift Unit.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Porcelain and silver seven piece tea set with 12.5″ tea pot with leather handle and six cups; Recd—November 20, 2000; Est. Value—$380.00; OSD/WHS/Gift Vault.	Amir of Kuwait, Jaber Al-Ahmed Al Sabah.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Round wood plaque w/brass relief of the Islands of Bahrain w/pearls representing cities; Recd—November 16, 2000; Est. Value—$830.00; OSD/WHS/Gift Vault.	Crown Prince H.H. Shaikh Salman bin Hammad Al Khalifa and Prime Minister H.H. Shaikh Khalifa bin Salman Al Khalifa.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Two 7.5″ gold bracelets; Recd—November 21, 2000; Est. Value—$475.00 and $465.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, CINC, Minister of Defense and Military Production.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Saudi automatic weapon in brown case w/two clips, green shoulder strap, and one box of ammo; Recd—November 20, 2000; Est. Value—$700.00; OSD/WHS/Gift Vault.	Sultan, bin Abd al-Aziz Al Saud, Minister of Defense.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Gold and Jeweled Earrings; Recd—March 13, 2000; Est. Value—$1875.00; OSD/WHS/Gift Vault.	Mohamed VI, Kingdom of Morocco	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Gold Sword, approx. 35″ long; Recd—Unknown; Est. Value—$300.00; OSD/WHS/Gift Vault.	Colonel General Abiyev Safar Ahundbala, Oglu, Minister of Defense of the Azerbaijan Republic.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Identical gold and silver coins w/one side engraved on each side; Recd—November 20, 2000; Est. Value—$380.00; OSD/WHS/Gift Vault.	QABOOS, bin Said Al Said, Sultan of Oman.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Gold cufflinks, tie tack, and key chain with Bill written in hiroglyphics; Recd—November 21, 2000; Est. Value—$650.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, CINC, Minister of Defense and Military Production.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	2.5″ diameter gold medallion; Recd—Unknown; Est. Value—$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Large display plate (pottery) w/stand; Recd—September 12, 2000; Est. Value—$300.00; OSD/WHS/Gift Vault.	The Honorable Kazuo Torashima, Director General, Japanese Defense Agency.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary	Twelve piece set of medallions s/designs; Recd—Unknown; Est. Value—$2800.00; Approved for Official Display.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
T.H. William S. Cohen, Secretary ...	.75″ diameter gold coin; Recd—Unknown; Est. Value—$325.00; Approved for official display.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Gold coin 1⅔″ × ⅛″ w/eagle wearing a crown; dated 1493–1993 Recd—Unknown; Est. Value—$1140.00; Approved of official display.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	52″ × 45″ brown wood frame with picture formed from miniature, square marble tiles, picture is of Greek God Neptune; Recd—Unknown; Est. Value—$1600.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Orpheus Music Box in cherry wood box; Recd—September 15, 2000; Est. Value—$450.00; OSD/WHS/Gift Vault.	His Excellency Kazuo Torashima, Director General, Defense, Defense Agency, Japan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Large Tiger Eye Box; Recd—September 15, 2000; Est. Value—$330.00; OSD/WHS/Gift Vault.	President Josheph Estrada, President of the Republic of the Philippines; Recd—September 15, 2000; Est. Value—$330.00; OSD/WHS/Gift Vault.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Large double matted and framed depiction of Southern Europe; Recd—October 8, 2000; Est. Value—$465.00; OSD/WHS/Gift Vault.	The Southeastern EURO Defense Ministerial (5th SEDM).	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Two silver tea pots, 9″ tall with handles w/6/5″ tall sugar container and 4/75″ tall creamer; Recd—Unknown; Est. Value—$270.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, Minister of Defense of the Arab Republic of Egypt.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	2.5″ diameter gold medallion; Recd—Unknown; Est. Value—$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	A 9′ × 14′ rug; Recd—October 7, 2000; Est. Value—$730.00; OSD/WHS/Gift Vault.	His Excellency Mohamed Jegham, Minister of Defense, Republic of Tunisia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	2.5″ diameter gold medallion; Recd—Unknown; Est. Value—$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	2.5″ diameter gold medallion; Recd–Unknown; Est. value–$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	2.5″ diameter gold medallion; Recd–Unknown; Est. value–$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	2.5″ diameter gold medallion; Recd–Unknown; Est. value–$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	37″ × 1.5″ swprd w/silver blade and Arabic Design; Recd–Unknown; Est. Value–$270.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Box containing 10 cans of caviar, two bottles of brandy, two bottles of champagne and two bottles of wine; Recd–Unknown; Est. Value–$390.00; OSD/WHS/Gift Vault.	Heydar Allyev, President of the Republic of Azerbaijan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Gold Scarab Bracelet; Recd–April 3, 2000; Est. Value–$900.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, Minister of Defense of Egypt.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Set of four gold items, pitcher w/lid fragrance holder, serving tray and incense burner; Recd–Unknown; Est. Value–$650.00; OSD/WHS/Gift Vault.	Shaikh Jassem Bin Hamad, Qatar	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Black Pierre Cardin brief case, one silver Bvlgar watch, four containers of fragrance shaped of wooden chests, one black dishdask-long shirt, one traditional Arab headdress, one robe w/gold trim; Recd–November 20, 2000; Est. Value–$1970.00; OSD/WHS/Gift Vault.	Deputy Prime Minister and Minister of Defense, Salem S. Al-Sabah.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	2.5″ Diameter gold medallion; Recd–Unknown; Est. Value–$1875.00; Reported to GSA, December 18, 2000; pending transfer to GSA.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Black automatic assault rifle 19″ long; Recd–Unknown; Est. Value–$375.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Bronze and copper statuette of an eagle or Falcon, head covered with gold mask; Recd–Unknown; Est. Value–$750.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Twelve silver chalices and one silver bowl; Recd–November 21, 2000; Est. Value–$840.00; OSD/WHS/Gift Vault.	Field Marshall Hussein Tantawy, CINC, Minister of Defense and Military Production.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	16.25″ long dagger (9.25″ blade); Recd–Unknown; Est. Value–$290.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
T.H. William S. Cohen, Secretary ...	Plaque of copper engraving of Mary holding Jesus; Recd–Unknown; Est. Value–$360.00; OSD/WHS/Gift Vault.	Lieutenant General D. Tevzadze, Minister of Defense, Georgia (Russia).	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Oil on canvas painting ''Oil Rocks'' by Mir Ismayil Jafarov, 1998; Recd–April 1999; Est. Value–$325.00; OSD/WHS/Gift Vault.	President of the Republic of Azerbaijan, Heydar Aliyev.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	46″ long rifle w/13″ scope brown leather straps attached in brown leather case; Recd–February 1999; Est. Value–$290.00; Reported to GSA for purchase.	Joe Modise, Minister of Defense of the R.S.A.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	24″ × 25″ White Silver Horse w/red slash; Recd–Unknown; Est. Value–$1100.00; OSD/WHS/Gift Vault.	Zayed Bin Sultan Al Nahayan, President of the United Arab Emirates.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Aqua vase w/blue, brown, and beige colors; Recd–Unknown; Est. Value–$360.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	24″ × 53″ ceramic vase, green designs; Recd—Unknown; Est. Value—$300.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	White Simpson motorcycle helmet; Recd—Unknown; Est. Value—$300.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Two statuettes, 15 h warrior and 13.5″ female from tribe; Recd—Unknown; Est. Value—$450.00; OSD/WHS/Gift Vault.	Minister of Defense, Nigeria	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	16.25″ diameter gold and silver platter; Recd—Unknown; Est. Value—$850.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Three different decorated dress costumes in black and red silk and valvet; Recd—Unknown; Est. Value—$390.00; OSD/WHS/Gift Value.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	Twenty two piece gold and silver tea set; Recd—Unknown; Est. Value—$390.00; OSD/WHS/Gift Vault.	Heydar Aliyev, President of the Republic of Azerbaijan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	40″ Automatic Rifle; Recd—Unknown; Est. Value—$490.00; OSD/WHS/Gift Vault.	Kingdom of Saudi Arabia	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	5′×4′ silk rug w/scene of the Last Super; Recd—Unknown; Est. Value—$3200.00; OSD/WHS/Gift Vault.	Unkown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	11″×5.5″ wood container covered with a brown marble; Recd—Unknown; Est. Value—$440.00; OSD/WHS/Gift Vault.	Joseph Ejercito Estrada, President of the Republic of the Philippines.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	35″×48″ portrait of Sec. Cohen in a suit wearing a foreign sash, painted by Abdulla Almuharraqi, Bahrain; Recd—Unknown; Est. Value—$400.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	37″ sword w/stainless steel curved blade; Recd—November 15, 1999; Est. Value—$450.00; OSD/WHS/Gift Vault.	Minister of Defense, Buenos Aires	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. William S. Cohen, Secretary ...	A red, white and blue nylon parachute in a 18″x13′ black canvas carrying bag; Recd—Unknown; Est. Value—$500.00; OSD/WHS/Gift Vault.	Unknown	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Lester B. Hazan ABAC, Hostage Rescue Team.	Swarovski Optik SLC 10x20 Binoculars; Recd—August 4, 2000; Est. Value—$899.00; HRT Space.	Christopher Ulmer, Deputy Head of the Federal Minister's Office, Austrian Ministry of the Interior.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs Louis J. Freeh, wife of Director	Scarf, robe and rug; Recd—April 8, 2000; Est. Value—$35.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Seven books from First Russian Technical University; Recd—September 15, 2000; Est. Value—$50.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Red photo album; Recd—September 14, 2000; Est. Value—$5.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Hand held monocular in case; Recd—September 15, 2000; Est. Value—$20.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Photo in green frame; Recd—September 15, 2000; Est. Value—$1.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Book—''St. Petersburg''; Recd—September 15, 2000; Est. Value—$3.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	City Guide Book; Recd—September 15, 2000; Est. Value—$10.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
T.H. Louis J. Freeh, Director	Book—''Yeyshcknn''; Recd—September 14, 2000; Est. Value—$5.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Small photograph Album; Recd—September 14, 2000; Est. Value—$10.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Plaque w/customs crest; Recd—September 14, 2000; Est. Value—$50.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Honorary degree from First Russian Technical University; Recd—September 15, 2000; Est. Value—$2.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	PK3901 Automatic Hand Gun in wooden case; Recd—September 15, 2000; Est. Value—$200.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	10 Boxes of Ammo (160 rounds total); Recd—September 15, 2000; Est. Value—$5.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Red velvet holder & banner w/wooden handle; Recd—April 8, 2000; Est. Value—$35.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Book—''St. Petersburg''; Recd—September 15, 2000; Est. Value—$10.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Saber in wooden case; Recd—September 15, 2000; Est. Value—$100.00; On display in director's office.	Col. Gen. Vladimir Borisovich Rushialo, Minister of Internal Affairs, Moscow, Russia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Two frames (small & large); Recd—April 8, 2000; Est. Value—$30,00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Hat (folded); Recd—April 8, 2000; Est. Value—$2.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Blue & White Ceramic Chess Set; Recd—September 14, 2000; Est. Value—$100.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Red cloth w/gold braiding; Recd—April 8, 2000; Est. Value—$10.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Dagger in gold & velvet sheath; Recd—April 8, 2000; Est. Value—$75.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Blue ceremonial robe w/gold braiding; Recd—April 8, 2000; Est. Value—$100.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Louis J. Freeh, Director	Sword & Dagger in case; Recd—April 6, 2000; Est. Value—$300.00; On display in director's office.	Minister Zokirjon Almatov, Ministry of Internal Affairs, Tashkent, Uzbekistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
CAPT Andrew J. Dutka, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
CAPT R. L. Morrissey, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
CDR Almond J. Drake, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
CDR David P. Adkinson, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
CDR Frank E. Klink, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
CDR Murray S. Donovan, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Col. Michael Boyce, OFC of Military Cooperations, Oman.	Radio Wrist Watch; Recd—September 25, 2000; Est. Value—$332.00; Report to GSA.	Commander Royal Army of Oman	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	H&K 9MM pistol (gold); Recd—June 17, 2000; Est. Value—$1500.00; Reported to GSA.	Saudi Arabia	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	Longine watches; Recd—June 17, 2000; Est, Value—$Unknown; Reported to GSA.	Manama, Bahrain	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
Gen Zinni, Commander in Chief, U.S. Central Command.	Pakistani bokara carpet; Recd—May 2000; Est. Value—$300.00; Reported to GSA.	Pakistan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	Turkman; Recd—June 22, 2000; Est. Value—$375.00; Report to GSA.	Turkmenistan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	Sword; Recd—May 11, 2000; Est. Value—$1369.00; Reported to GSA.	Quatar	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	Breitling watch; Recd—May 2000; Est. Value—$2500.00; Reported to GSA.	Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	Table with 2 chairs; Recd—April 21, 2000; Est. Value—$1000.00; Official display.	Egypt	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gen Zinni, Commander in Chief, U.S. Central Command.	Indian Carpet; Recd—June 17, 2000; Est. Value—$1100.00; Reported to GSA.	Bahrain Defense Force	Non-acceptance would have caused embarrassment to donor and U.S. Government.
LCDR Walter M. Downs, National Naval Medical Center, Bethesda.	Gold coin set; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Lt. John J. Murray, National Naval Medical Center, Bethesda.	Man's watch; Recd—December 8, 1999; Est. Value—$1300.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Mrs. Fulford, Spouse of General Fulfor, Deputy USEUCOM.	Ladies bracelet; Recd—Unknown; Est. Value—$Unknown; Report to GSA.	Wife of the Deputy Chief of Defense, Greece.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Ms. S.E. Morseman, National Naval Medical Center, Bethesda.	Gold Bracelet; Recd—December 8, 1999; Est. Value—$700.00; Being retained at CNO (NO9B13).	Crown Prince of Kuwait	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Richard Danzig, Secretary of the Navy.	Chinese art work; Recd—April 2000; Est. Value—$2000.00; Being retained at CNO (NO9B13).	People's Liberation Navy, China	Non-acceptance would have caused embarrassment to donor and U.S. Government.
VADM Daniel J. Murphy, Jr., Commander, SIXTH Fleet.	Portrait and statue; Recd—September 29, 1999; Est. Value—$1000.00; Official display SIXTH Fleet.	CDR, 2nd Military Region, Oran	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Securities and Exchange Commission			
Ester Saverson, Assistant Director, Office of International Affairs.	Mont Blanc Rollerball Pen; Recd—June 8, 2000; Est. Value—$350.00; Tendered to Agency Ethics Office—June 2000.	Shaik Ahmed Bin Mohammed Al-Khalifa, Director of Bahrain Stock Exchange.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Robert Strahota, Assistant Director, Office of International Affairs.	Mont Blanc Rollerball Pen & 1983 Bahrain; Commemorative Silver Coin Proof Set; Recd—June 8, 2000; Est. Value—$400.00; Tendered to Agency Ethics Office—June 2000.	Shaik Ahmed Bin Mohammed Al-Khalifa, Director of Bahrain Stock Exchange.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Thomas Murphy, Assistant Regional Director (Midwest Regional Office).	Mont Blanc Rollerball Pen; Recd—June 8, 2000; Est. Value—$350.00; Tendered to Agency Ethics Office—July 12, 2000.	Shaik Ahmed Bin Mohammed Al-Khalifa, Director of Bahrain Stock Exchange.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
State			
Ambassador Garza	A Roger Perez de la Rocha Painting; Recd—December 1999; Est. Value—$3000.00; Approved for Official Display.	President Arnold Aleman, President of Nicaragua.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Ambassador Kattouf	Tissot watch, titanium case, sapphire crystal; Recd—October 26, 1999; Est. Value—$460.00; Turned in to GSA.	UAE Businessman Salim Al-Mossa	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Edward S. Walker, Jr.—Assistant Secretary for Near East Affairs.	Loneines Watch; Recd—June 9, 2000; Est. Value—$750.00; Turned in to GSA.	King Abdullah Jordan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Elaine Shocas—Chief of Staff	Gem Stone pin; Recd—September 18, 2000; Est. Value—$260.00; Turned in to GSA.	Prime Minister Vajpaye, India	Non-acceptance would have caused embarrassment to donor and U.S. Government.
John B. Craig, Ambassador	A Cartier Pen; Recd—April 3, 2000; Est. Value—$2000.00; Approved for Official Display.	The Sultan of Oman	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Katherine Van de Vate—Public Affairs Officer Abu Dhabi, U.A.E.	Men's Seiko quartze watch and women's Guess Collection silver watch; Recd—November 29, 2000; Est. Value—$325.00; Turned in to GSA.	Department of Islamic Affairs, Abu Dhabi, UAE.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Malcolm R. Lee—Deputy Assistant Secretary for East Asian Affairs.	Palm Vx (personal electronic organizer) with accessories; Recd—December 9, 2000; Est. Value: $389.00; Turned in to GSA.	Secretary Yao, Chief, HK Info Technology and Broadcasting Bureau, Hong Kong.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Office of Chinese and Mongolian Affairs.	3 11×14 framed watercolors paintings by artist; Damba Tsolmon, Recd—May 8, 2000; Est. Value—$375.00; Approved for Official Display.	Ambassador Jalbuu Choinhor, Mongolia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
RECIPIENT: Madeleine K. Albright; T.H. Madeleine K. Albright, Secretary.	Two red rugs; Recd—September, 2000; Est. Value—$260.00+ each; Turned in to GSA.	President Aliyev, Azerbaijan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright	Medium blue and green rug; Recd—March 25, 2000; Est. Value—$260.00+; Approved for Official Display.	General Pervez Musharrag, Chief Executive of the Islamic Republic of Pakistan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright	Leather suit case; wood box; velvet robe; Recd—December 2000; Est. Value—$260.00+; Turned in to GSA.	President Bonteflika, Algeria	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright—Secretary of State.	Two area rugs; Recd—September 2000; Est. Value—$260.00+; Turned into GSA.	President Aliyev, Azerbaijan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Pre-Colombian Artifact replica; Recd—January 15, 2000; Est. Value—$260.00; Turned into GSA.	Alfonso Salis General Manager of Port of Cartage.	Non-acceptance would have caused embarrassment to door and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gold/Stone necklace; Recd—October 22, 1999; Est. Value—$400.00; Turned in to GSA.	Chairman Arafat PLO	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gold bracelet and necklace; Recd—December 8, 1999; Est. Value—$1000.00; Turned in to GSA.	Chairman Arafat PLO	Nonacceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gold bracelet and necklace; Recd—January 30, 2000; Est. Value—$3000.00; Turned in to GSA.	Chairman Arafat Palestinian Authority.	Nonacceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	2-tone gold metal bracelet and necklace; Recd—June 6, 2000; Est. Value—$3000.00; Turned in to GSA.	Chairman Arafat Palestinian Authority.	Nonacceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gold metal necklace, bracelet, earrings and ring; Recd—June 15, 2000; Est. Value—$8400.00; Turned in to GSA.	Chairman Arafat Palestinian Authority.	Nonacceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gold and Gem necklace; Recd—January 20, 2000; Est. Value—$3000.00; Turned in to GSA.	Chairman Arafat Palestinian Authority.	Nonacceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Necklace, earrings, rings, and bracelet; Recd—September 15, 2000; Est. Value—$91000.00; Turned in to GSA.	Crown Prince Abdullah, Saudi Arabia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Silver box—6′ round w/lid; Recd—May 26, 1999; Est. Value—$600.00; Turned in to GSA.	FM Lamberto Dini, Italy	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Silver Earrings; Recd—May 8, 2000; Est. Value—$550.00; Turned in to GSA.	FM Papandreou, Greece	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Wool and silk rug; Recd—March 25, 2000; Est. Value—$900.00; Turned in to GSA.	General Musharef, Pakistan	Office of Protocol for disposition.
T.H. Madeleine K. Albright, Secretary.	Traditional Musical Instrument; Recd—June 2000; Est. Value—$300.00; Turned in to GSA.	Governor Keiichi Inamine, Japan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	2′ 22kt. Gold brooch in the shape of a ''Bunga Simpor'' flower, set with diamonds and burgundy coral beads; Recd—November 15, 2000; Est. Value—$2000.00 each; Turned in to GSA.	H.R.H. Pengiran Isteri Hajjah Mariam binti Haji Abdul Aziz, Second wife of Sultan of Brunei.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Large Carpet; Recd—June 20, 2000; Est. Value—$260.00; Turned in to GSA.	King Mohammed V, Morocoo	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Large Silk Rug; Recd—Unknown; Est. Value—$4000.00; Turned in to GSA.	King of Morocco	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Small silver bowl and two art books; Recd—October 1, 2000; Est. Value—$300.00; Turned in to GSA.	Mayor Juppe, Bordeaux, France	Non-acceptance would have cause embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Wooden Jewelry box, metal and stone bracelet, necklace; Recd—April 16, 2000; Est. Value—$590.00; Turned in to GSA.	President Akaev, Kyrgystan	Non-acceptance would have cause embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Silver Flatware set; Recd—September 1, 2000; Est. Value—$1250.00; Turned in to GSA.	President Karimov Uzbekistan	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gold Chain; Recd—September 20, 1999; Est. Value $2500.00; Turned in to GSA.	Prime Minister Sheikh Hasina Bangladesh.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Gem Stone Pin; Recd—September 18, 2000; Est. Value—$600.00; Turned in to GSA.	Prime Minister Vajpaye, India	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Madeleine K. Albright, Secretary.	Genta Watch and Book on The Sultan; Recd—November 2000; Est. Value—$500.00; Turned in to GSA.	Princess Paduka Seri Baginda Raja Isteri Pengiram, Brunei.	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
T.H. Madeleine K. Albright, Secretary.	Gold bracelet; Recd—January 1, 1998; Est. Value $950.00; Turned in to GSA.	Suha Arafat, First Lady PLO	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Treasury			
Edwin M. Truman	Facial mask (un masque cuvette); Recd—April 3, 2000; Est. Value—$450.00; To be excessed to GSA.	Peter Mufany Musonge, Prime Minister, Republic of Cameroon.	Non-acceptance wouldhave cause embarrassment to donor and U.S. Government.
T.H. Lawrence H. Summers, Secretary.	Bronze statue; Recd—June 29, 2000; Est. Value—$350.00; To be excessed to GSA.	Mr. Obasanjo, President, Government of Nigeria.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Lawrence H. Summers, Secretary.	Hakatari Ori fabric framed in wood; Recd—July 20, 2000; Est. Value—$330.00; Retained by Treasury on July 20, 2000.	Mr. Miyazawa, Minister of Finance, Government of Japan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Lawrence H. Summers, Secretary.	Wood crafted elephant; Recd—January 19, 2000; Est. Value—$700.00; Retained by Treasury on May 25, 2000.	Yashant Sinha, Minister of Finance, Government of India.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
T.H. Lawrence H. Summers, Secretary.	Wood crafted statue; Recd—February 9, 2000; Est. Value—$1,400.00; Retained by Treasury on May 25, 2000.	S.M. Krishna, Chief Minister, Government of India.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
U.S. Senate			
Benjamin C. Noble, Legislative Assistant Senator Lincoln.	One box of Habanos Cuban Cigars (box autographed by President Castro; Recd—May 28, 2000; Est. Value—$700.00; Deposited with Secretary of Senate.	President Fidel Castro, Cuba	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Blanche Lincoln, U.S. Senator	Two boxes of Habanos Cuban Cigars (boxes autographed by President Castro; Recd—May 28, 2000; Est. Value $700.00 each; Deposited with Secretary of Senate.	President Fidel Castro, Cuba	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Christopher Williams, Foreign Policy and Intelligence Advisor to Senator Lott.	Black Mont Blanc Classic ballpoint pen; Recd—March 14, 2000; Est. Value—$175.00; Deposited with Secretary of Senate.	Remus Chem, Taiwanese government lobbyist.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Chuck Hagel, U.S. Senator	Silver Sword and sheath; Recd—April 3, 2000; Est. Value—$250.00; Display in SR 348.	President of Yemen, His Excellency Ali Abdullah Saleh.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Edward M. Kennedy, U.S. Senator	Ceramic plate with gold design; Recd—March 2, 2000; Est. Value—$150.00; On display in SR315.	King Adbullah and Queen Rania of Jordan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Gary Sisco, Secretary of the U.S. Senate.	Photographs (2) with custom frames, wood with gilding; Recd—November 2000; Est. Value—$500.00; Deposited with Secretary of State.	Consul General Francisco Morales, Government of Panama.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Paul S. Sarbanes, U.S. Senator	Waterford crystal bowl with wooden stand; Recd—July 17, 2000; Est. Value—$200.00; Deposited with Secretary of Senate.	Aer Lingus, airline owned by the Government of Ireland.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Tom Harkin, U.S. Senator	5 vol. Set of ''The Complete Saga of Icelanders''; Recd—April 27, 2000; Est. Value—$500.00; Deposited with Secretary of Senate.	President Olafur Grimsson of Iceland.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
White House			
Gayle E. Smith, Director for African Affairs, NSC.	Three 29″ diameter leather pillow covers; 100″ leather embroidered rug; silver woven Sari with matching silver top; two 29″ × 84″ purple with gold cloths; Recd—November 4, 1999; Est. Value—$3250.00; Held in Gift Office.	T.H. Aliyu Mohammed, Nigerian National Security Advisor.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
President Clinton	A painting depicting all 42 American Presidents (1.75 × 2.75m canvas); Recd—March 2000; Est. Value—$260.00+; Approved for Official Display.	Enrique Iturriaga Villegas, Private Citizen in Aguascalientes, Mexico.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
President Clinton	11″ × 6.5″ × 2.5″ sterling silver box with a hinged top and a black, green, and mother-of-pearl mosaic title design reminiscent of the Church of the Lions; Recd—Unknown; Est. Value—$500.00; Archives Foreign.	Their Majesties King Abdullah II and Queen Rania Al Abdullah, Jordan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
President Clinton	9.5″ × 4.5″ oval Egyptian silver repousse dome-top footed box with blue velour interior; Recd—Unknown; Est. Value—$1200.00; Archives.	H.E. Mohamed Hosny Mubarak, President of the Arab Republic of Egypt.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Vice President Gore and Family	Ceramic vase 10″ high in green landscape with gold area around mouth; wooden lacquer chest; Recd—May 5, 2000; Est. Value—$500.00; Archives.	H.E. Yoshiro Mori, Prime Minister of Japan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Vice President Gore	Landscape painting, 20 × 28; Recd—July 7, 2000; Est. Value—$450.00; Office of the Vice President—Gift cupboard.	H.E. Robert Kocharian, President of the Republic of Armenia.	Non-acceptance would have caused embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
Vice President Gore and Family	2 silver vases and gold bracelet; Recd—September 15, 2000; Est. Value—$5500.00; Office of the Vice President—Gift Cupboard.	H.E. Atal Behari Vahpayee, Prime Minister of India.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Vice President Gore and Family	Ceramic vase 10″ high in green landscape with god around mouth; Recd—May 5, 2000; Est. Value—$500.00; Archives.	H.E. Yoshiro Mori, Prime Minister of Japan.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
Vice President Gore and Mrs. Gore	Ancient Roman glass artifact (candlesticks); gold pendant with ancient coin (for MEG); Recd—January 6, 2000; Est. Value—$1000.00; Archives.	H.E. Ehud Barak and Mrs. Nava Barak, Prime Minister of Israel.	Non-acceptance would have caused embarrassment to donor and U.S. Government.
President	8″ × 5.5″ × 2″ silver box with wood veneer interior. Lid is engraved to read ''Jamil Mahuad Witt—Presidente Constitucional de la Republica del Ecuador'' and bears a relief of the seal of Ecuador; Recd—February 5, 1999; Est. Value—$500; Archives Foreign.	His Excellency Dr. Jamil Mahuad, President of the Republic of Ecuador.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	71″ × 43″ silk Hereke carpet with an ivory field, bota motif, navy center background, one maroon primary border and five secondary borders, with beige fringe; Recd—November 16, 1999; Est. Value—$3500; Archives Foreign.	The Honorable Kemal Onal, Governor of the Province of Izmir, The Republic of Turkey.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Men's beige Gobi cashmere turtleneck sweater. Recd—January 16, 2000; Est. Value—$175; Archives Foreign.	His Excellency Jalbuugiin Choinhor, Ambassador of the Republic of Mongolia.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) 18″ 18 kt. gold choker necklace. Each link resembles a small leaf and there is a hanging pendant in the shape of five four-leaf flowers; with matching 8″ 18 kt. gold bracelet with eight links, each being a four-leaf flower, $2400. (2) 4″ gold-tone star-shaped medal with a 2″ white and blue cloisonne circle in the middle that depicts a gold Nativity with a star and Arabic writing above and reads ''Bethelhem 2000'' below, attached to a 30″ × 2″ green sateen ribbon, $50. (3) 25″ × 20″ mother-of-pearl and abalone shell shadow box relief that depicts the Last Supper with stairs on either side of the feast table that lead to Jesus, Joseph, and angels, $1500; Recd—January 21, 2000; Est. Value—$3950; Archives Foreign.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) 1″ diameter gold coin that depicts a bust of the donor on the front and a palace on the back, $125. (2) 5′ long bronze arrowhead circa 63 B.C.—33 C.E., $200; Recd—January 28, 2000; Est. Value—$325; Archives Foreign.	His Excellency Rudolf Schuster, The President of the Slovak Republic and Mrs. Schusterova.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	5″ tall silver statue of a man in robes kneeling and holding a cup in one hand and a pitcher in the other, mounted on a round wooden base; Recd—January 28, 2000; Est. Value—$850; Archives Foreign.	His Highness Sheikh Sulman bin Hamad bin Isa Al-Khalifa, Crown Prince of the State of Bahrain and Head of the Bahrain Defense Force.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	15″ × 22″ mother-of-pearl and abalone shell shadow box Nativity that reads ''2000'' across the front; Recd—January 29, 2000; Est. Value—$1000; Archives Foreign.	Mr. Yasser Arafat, Chairman, Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	37″ × 27″ fully rigged model ship of the U.S.S. Constitution, 1797, with sails; Recd—February 4, 2000; Est. Value—$4000; Archives Foreign.	The Right Honorable Navinchandra Ramgoolam, Prime Minister of the Republic of Mauritius.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	36″ gold vermeil sword with lion's head on the hilt. Scabbard is gold vermeil and decorated with blue and green glass beads, black and white enamel work, and interspersed with four ivory ovals. Reverse side of scabbard bears a silver niello motif of animals and flowers. The blade of the sword is inscribed to the President; Recd—February 15, 2000; Est. Value—$800; Archives Foreign. (1) 20 jars of caviar. (2) Two bottles of cognac; Recd—February 15, 2000; Est. Value—$250; Accepted by Another Government Agency.	His Excellency Heydar Aliyev, President of the Republic of Azerbaijan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″ × 13″ hand-carved ebony sculpture of a rhinoceros on a 16″ base; Recd—February 17, 2000; Est. Value—$650; Archives Foreign.	His Excellency Daniel T. arap Moi, President of the Republic of Kenya.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Medium sized cut and etched and crystal bowl; Recd—March 17, 2000; Est. Value—$1000; Archives Foreign.	His Excellency Bertie Ahern, Prime Minister of Ireland.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
President	28″ × 40″ oil painting on canvas that depicts a Bangladeshi village, fishing boat, river, trees, and homes in a 35″ × 45″ wooden frame. Recd—March 20, 2000; Est. Value—$500; Archives Foreign.	His Excellency Shahabuddin Ahmed, President of the People's Republic of Bangladesh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	Silver tea set with a floral relief that includes: 12″ round silver serving platter, 8.5″ tall teapot, 4.5″ creamer, and 4.5″ sugar bowl. Recd—March 20, 2000; Est. Value—$1500; Archives Foreign.		
President	(1) Three hardcover books. ''Images and Insights,'' and ''India and America: Essays in Understanding,'' written and inscribed by donor, and ''Arts and Crafts of Rajasthan,'' by Aman Nath and Francis Wacsiarg, $45. (2) Paperback. ''Sweet and Sour: Burmese Short Stories,'' written and inscribed by Mrs. Narayanan, $15; Recd—March 21, 2000; Est. Value—$60; Archives Foreign.	His Excellency Kocheril Raman Narayanan, The President of India and Mrs. Narayanan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	54″ × 30″ tan, brown, white, and earth-tone oil painting titled ''Gandhi: the Spirit of Freedom Forges Ahead.'' The painting depicts Gandhi holding a walking stick with a white dove in the background; in a 36″ × 59″ copper-tone frame. Recd—March 21, 2000; Est. Value—$800; Archives Foreign.		
President	Five hardcover books. ''The Maharaja and the Princely States of India,'' by Sharada Dwivedi, ''India After Independence,'' by Bipan Chandra, ''Annals and Antiques of Rajasthan,'' volumes one and two, by James Tod, ''Glimpses of World History,'' by Jawaharlal Nehru, and ''The Arthashastra,'' by L.N. Rangarajan; Recd—March 21, 2000; Est. Value—$115; Archives Foreign.	The Honorable Anshuman Singh, Governor of Rajasthan, India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Four 10″ × 14″ satellite photographs of the United States, the State of Arkansas, and Little Rock, contained in a 30″ × 61″ black lacquer frame; Recd—March 21, 2000; Est. Value—$500; Archives Foreign.	His Excellency Atal Bihari Vajpayee, Prime Minister of the Republic of India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	13″ × 11″ decorative ''Pankah'' fan of woven silver matwork with an 18″ silver handle; Recd—March 22, 2000; Est. Value—$1500; Archives Foreign.	Mr. Ashok Gehlot, Chief Minister Government of Rajasthan, India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Collection of 11 frog figurines: 2.5″ pale green stone frog, 2″ forest-green stone frog, 2″ green stone frog, 1″ amber stone frog, 1.5″ red and gold stone frog, 1.5″ green transparent stone frog, 1″ yellow/green stone frog, 1″ silver-tone frog, .5″ clear glass frog, .5″ clear glass frog, 1″ clear glass frog; Recd—March 23, 2000; Est. Value—$220, Archives Foreign.	Ms. Bina Kak, Minister of State for Tourism, Government of Rajasthan, India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	12″ tall × 9″ wide solid jade carved elephant statute titled ''Lord Ganesh God of Knowledge.'' Elephant is seated in the lotus position and is ornately decorated with gold, red, and green paint and has four outstretched arms and two legs; Recd—March 24, 2000; Est. Value—$850; Archives Foreign.	Mr. Vilas Rao Deshmukh; Chief Minister, Government of Maharashtra, India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″ tall composition castle model with four towers, completely covered with cultured pearls, mounted on a silver base with a small silver chain fence surrounding the castle; Recd—March 24, 2000; Est. Value—$3500; Archives Foreign.	The Honorable Nara Chandrababu Naidu, Chief Minister of Andhra Pradesh; India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	Traditional Indian male outfit that includes a long silk cream-colored collarless shirt with a 1″ red and ivory beaded border and a matching pair of pants; Recd—March 24, 2000; Est. Value—$100; Archives Foreign.		
President	(1) 6.5″ diameter silver plate etched with the seal of Pakistan and a floral pattern, $350. (2) 5″ diameter silver bowl with matching design, $450; Recd—March 24, 2000; Est. Value—$800; Archives Foreign.	His Excellency Mohammad Rafiq Tarar, President of the Islamic Republic of Pakistan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	29″ ornate silver sword with four agate stones embedded in the scabbard and two in the hilt. Blade measures 16″ long and the hilt is 6″ long; Recd—March 25, 2000; Est. Value—$700; Archives Foreign.	His Excellency Mohamed Hosny Mubarak, President of the Arab Republic of Egypt.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
President	51″ × 76″ Pakistani silk oriental rug with a rose, green, yellow, cream, and tan floral motif with a rose border, four secondary borders, and cream-colored fringe on both ends; Recd—March 25, 2000; Est. Value—$3500; Archives Foreign.	General Pervez Musharraf	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	62″ × 72″ earth-tone wool tapestry wall hanging that depicts two Egyptians in a marketplace, with white fringe; Recd—March 28, 2000; Est. Value—$2000; Archives Foreign.	His Excellency Mohamed Hosny Mubarak, President of the Arab Republic of Egypt.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Vacheron Constantin Les Complications watch with an 18 kt. gold face and brown leather band; Recd—March 30, 2000; Est. Value—$15000; Archives Foreign.	The Honorable Guy-Olivier Segond, President of the Canton of Geneva.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	12″ long dagger with a ridge down the center of the blade with an ornately carved 21 kt. gold hilt, contained in an all gold embroidered J-shaped scabbard with leather guard, $800. Sword is contained in a 15.5″ × 12.5″ × 5″ light and dark brown wood veneer inlay box that is lined with red satin, $500; Recd—April 3, 2000; Est. Value—$1300; Archives Foreign.	His Excellency Ali Abdullah Saleh, President of the Republic of Yemen.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	12.5″ tall Chinese porcelain limited edition figurine titled ''Noble Lady.'' The figurine is of a standing Mandarin woman with flowers in her hair, wearing a pink tunic over a blue pleated skirt, holding a mirror in her left hand with her right had behind her back; Recd—April 7, 2000; Est. Value—$1200; Archives Foreign.	His Excellency Tung Chee Hwa, Chief Executive of the Hong Kong Special Administrative Region of the People's Republic of China.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	20″ × 23″ oil painting on canvas that depicts a large tree with white leaves and a green, blue, purple, and white garden scene in a 26″ × 29″ gold-tone frame; Recd—April 15, 2000; Est. Value—$1500; Archives Foreign.	His Excellency Igor Ivanov, Minister of Foreign Affairs of the Russian Federation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	6″ × 12″ porcelain blue-green bulbous-shaped vase by Tokuda Tasokichi; Recd—May 2, 2000; Est. Value—$850; Archives Foreign.	His Excellency Yoshiro Mori, Prime Minister of Japan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	13 jade stones in varying shades of green that represent masks, birds, and icons of pre-Columbian Costa Rica; Recd—May 9, 2000; Est. Value—$850; Archives Foreign.	His Excellency Miguel Angel Rodriguez Echeverria, President of the Republic of Costa Rica.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″ tall abstract silver bust of a man that part polished and part rough finished, #13/24; signed ''PCH—Tane 2000''; Recd—May 9, 2000; Est. Value—$1000; Archives Foreign.	His Excellency Ernesto Zedillo Ponce de Leon, President of the United Mexican States.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Four limited edition 2000 Natura Prestige 24 kt. Gold South African coins, each decorated with a sable; Recd—May 22, 2000; Est. Value—$1200; Archives Foreign.	Mr. Thabo Mbeki, President of the Republic of South Africa.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	6.5″ diameter × 1″ deep silver reproduction of an 18th century maritime compass, etched with numerical markings on the front, and dated 1624. Compass has a rotating dial suspended from a white nylon line that is attached to a 15″ wooden tripod stand; Recd—May 30, 2000; Est. Value—$2500; Archives Foreign.	His Excellency Antonio Guterres, Prime Minister of Portugal.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	10″ tall × 5″ wide crystal decanter with a silver neck and a flat 3″ wide lip that bears the Portuguese presidential seal, with a crystal top and globular finial; Recd—May 30, 2000; Est. Value—$275; Archives Foreign.	His Excellency Jorge Sampaio, President of the Portuguese Republic.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	Green box of nine compact discs. ''100 Anos de Fado,'' ''Mafalda Arnauth,'' ''O Melhor de Amalia,'' ''Amalia: 50 Anos,'' ''Camane,'' ''Moviemento Perpetuo,'' ''Carlos do Carmo,'' ''Lucilia do Carmo'' and ''Alfredo Marceneiro''; Recd—May 30, 2000; Est. Value—$105; Archives Foreign.		
	Green leather photo album that contains 8″ × 10″ photographs of the President's trip to Portugal; Recd—May 30, 2000; Est. Value—$50; Archives Foreign.		

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
President	The International Charlemagne Prize of Aachen. Prize includes a 3″ diameter gold vermeil medallion that bears the 12th Century Aachen town seal with Emperor Charlemagne on a throne, and is inscribed to the President in German. Medallion is attached to a yellow ribbon that bears the German Imperial Eagle; Recd-June 2, 2000; Est. Value-$350; Archives Foreign.	The Honorable Dr. Juergen Linden, Lord Mayor of Aachen, The Federal Republic of Germany.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	(1) Two hardcover books written in German ''50 Jahre Internationaler Karlspreis zu Aachen,'' and ''Der Aachener Dom,'' $75. (2) 17″ × 12″ blue folder that bears the Aachen town seal and contains a certificate of the Inauguration Document for the Establishment of the Charelemagne Prize Scholarship, $50. (3) Award certificate held in a 15″ × 12″ black wooden folder that has a silver-tone medallion on the front, $100; Recd-June 2, 2000; Est. Value-$225; Archives Foreign.		
President	36″ traditional silver Russian electric samovar set with a floral design and wooden handles that includes a 16″ diameter matching tray and a 6″ diameter bowl; Recd-June 3, 2000; Est. Value-$1000; Archives Foreign.	His Excellency Vladimir Putin, President of the Russian Federation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) Silk tie with a black, pink, blue, yellow, green, and red abstract geometric pattern. (2) Paperback about painting and sculpture; written in Russian. (3) Six hardcover books in Russian. (4) Videotape in Russian. ''XX BeK''; Recd-June 4, 2000; Est. Value-$300; Archives Foreign.	Ms. Lidia I. Iovleva, First Deputy/Director General, Russian Federation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) Bottle of Ukrainian wine. (2) Five bottles of Ukrainian liquor; Recd-June 5, 2000; Est. Value-$150; Accepted by Another Government Agency.	His Excellency Leonid Kuchma, President of Ukraine.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	(1) 19″ × 17″ oil painting on canvas that depicts a courtyard surrounded by blue Ukrainian buildings with gold domes against a blue sky, in a 32″ × 35″ gilt frame $1500. (2) 25″ × 31″ framed portrait of the President against a grey background made out of painted beans, rice, and corn, $750; Recd-June 5, 2000; Est. Value-$2250; Archives Foreign.		
	6″ × 8.5″ grey leather certificate portfolio; Recd-June 5, 2000; Est. Value-$10; Archives Foreign.		
President	(1) Hardcover book. ''That Great Victory Day,'' inscribed by Valentyn Znoba. (2) 26″ tall bronze bust of the President; Recd-June 5, 2000; Est. Value-$3000; Archives Foreign.	His Excellency Viktor Yushchenko, Prime Minister of Ukraine Valentyn Znoba, Kiev, Ukraine.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	42″ tan leather belt with silver and gold overlaid buckle flanked by six Argentinean coins and decorated with a thistle and flower motif, and monogrammed ''WJC''; Recd-June 13, 2000; Est. Value-$600; Archives Foreign.	His Excellency Fernando de la Rua, President of the Argentine Nation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Wood carving of an Aymara Indian man's head; Recd-June 14, 2000; Est. Value-$450; Archives Foreign.	Her Excellency Marlene Fernandez del Granado, Ambassador of the Republic of Bolivia.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	20″ tall mother-of-pearl and abalone shell vase with a 4″ base, a narrow stem, and a heart-shaped center; Recd-June 15, 2000; Est. Value-$450; Archives Foreign.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Red leather-bound book. ''Martin Fierro,'' by Jose Hernandez, enclosed in a silver-plated hinged wooden box with four square pieces of wood on the lid and an engraved inscription bearing a quote in Spanish by the author; Recd-June 16, 2000; Est. Value-$800; Archives Foreign.	His Excellency Fernando de la Rua, President of the Argentine Nation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	23″ square mauve, yellow, brown, and red still life oil painting on canvas of a flower vase, a lemon, and apples; in a 28″ square wood frame with a gold-tone plaque that reads ''Presented by Robert Kocharyan, President of Armenia''; Recd-June 27, 2000; Est. Value-$350; Archives Foreign.	His Excellency Robert Kocharyan, President of the Republic of Armenia.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Three ''Kariyushi Wear'' shirts, one is white with gold fu dogs and an orange circular pattern, one is dark grey with a rainbow colored dragon, and the other has grey and white horizontal stripes with a black dragon; Recd–July 19, 2000; Est. Value–$195; Archives Foreign.	His Excellency Yoshiro Mori; The Prime Minister of Japan and Mrs. Mori.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	Blue lapel pin that reads ''G8;'' Recd–July 19, 2000; Est. Value–$5; Archives Foreign.	.....	

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
	Maroon fabric-covered photo album that commemorates the President's trip to the G–8 summit in Okinawa, Japan; Recd–July 19, 2000; Est. Value–$30; Archives Foreign.	.....	
President	(1) 2′ × 2′ light and dark brown pottery statue of a shi-shi dog with curled mane and tail, holding a rope in his mouth, on a 28″ × 18″ footed oak stand, $1000. (2) Brown pottery tea set that includes five 2.5″ tall cups, a 4″ tall teapot, a 13″ wooden ladle, and a 6″ × 3″ wooden plaque etched with Japanese characters, $75. (3) 14″ diameter white ceramic dish that is decorated around the edge with broken chips of clear and brown glass, $50; Recd–July 19, 2000; Est. Value–$1125; Archives Foreign.	The Honorable Masakazu Nakasone; Mayor of Okinawa City; Japan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	13″ diameter grey ceramic pottery sake flask with a straw top. The base of the flask is covered with brown woven rope and depicts two fu dogs with a plaque that reads ''To the Honorable William J. Clinton, Presented by Masakazu Nakasone, Okinawa City Mayor.'' Item arrived at the White House broken beyond repair and was destroyed; Recd–July 19, 2000; Est. Value–$1; Destroyed.		
	21'' tall white ceramic lamp stand embedded with green, brown and blue glass chips; Recd–July 19, 2000; Est. Value–$80; Archives Foreign.		
President	(1) 30″ samishen lute (guitar) with a black and brown lacquered neck and snakeskin base, in a 9.5″ × 32″ brown and black snakeskin case, $500. (2) Five 17″ square silk tie-dyed handkerchiefs. Two are blue and white, two are green and yellow, and one is yellow and white, $100. (3) Yellow, tan and brown diagonal striped tie with embroidered geometric patterns, $75. (4) Red, brown, blue, and orange tie with embroidered geometric patterns, $75. (5) Two Sensu paper folding fans. One has a blue background, and the other has a green, yellow and red floral pattern, $30. (6) 10″ × 12″ fan-shaped Shisaa wall hanging with two 3.5″ × 4″ ceramic fu dogs, $45. (7) 8″ × 12″ Shisaa wall hanging with a background made of thin sticks tied together, and two 3.5″ × 4″ ceramic fu dogs, $45. (8) 38″ × 12″ blue table runner with orange, purple, pink, light blue, and yellow embroidered geometric patterns and fringe on both ends, $65. (9) Three 10″ × 16″ blue striped placemats with fringe on both ends, and five 4.5″ square matching coasters, $45; Recd–July 19, 2000; Est. Value–$980; Archives Foreign.	The Honorable Hideki Oshiro, Mayor of Onna–Son Japan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	10″ × 6.5″ × 2″ black lacquer box painted with detailed gold-tone floral trim and a painting of seven people in a boat on the lid; Recd–July 19, 2000; Est. Value–$800; Archives Foreign.	His Excellency Vladimir Putin; President of the Russian Federation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Four boxes of mangos; Recd–July 27, 2000; Est. Value–$65; Accepted by Another Government Agency.	His Excellency Joseph Ejercito Estrada; The President of the Republic of the Philippines and Mrs. Estrada.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	8″ × 10″ photograph of President Clinton with President Estrada in a 12″ square leather frame that bears a silver seal of the Philippines, and a plaque that reads ''President Joseph Ejercito Estrada, President of the Republic of the Philippines''; Recd–July 27, 2000; Est. Value–$250; Archives Foreign.		
	Two tier mahogany wood drop-leaf serving table with a cream floral inlay pattern, with wheels and a handle. The table is 29″ tall, 34″ wide with the two leafs extended, and 28″ across and includes two matching serving trays. One tray is 21″ × 13″ × 2″ and the other is 26″ × 16″ × 2″; Recd–July 27, 2000; Est. Value–$500; Archives Foreign.	.....	

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
	11″ × 7.5″ × 8″ wooden box with parquetry tortoise shell overlay that stands on four silver miniature buffalo feet, with a buffalo horn finial lid. Box decorated with the Seal of the Philippines. Removable lid has silver banding and silver finial handles; Recd–July 27, 2000; Est. Value–$1500; Archives Foreign.		
President	14″ × 10″ silver tray that is inscribed with the Mexican Seal and reads ''Al Excelentisimo Senor Presidente de los Estados Unidos de America William Jefferson Clinton, Como Recuerdo de las Visita a los Estados Unidos de America Vincente Fox Quesada, Presidente Electo de Mexico, 24, VIII, 2000;'' Recd–August 24, 2000; Est. Value–$1200; Archives Foreign.	His Excellency Vicente Fox Quesada; President of the United Mexican States.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) 35.5″x24″ pastel portrait of the President, wearing a light blue traditional long Nigerian over-shirt and a blue, yellow, and white cap, with a black shimmering background, contained in 35″x47″ double wood frame with red velvet lining, $3000. (2) 8′ diameter red, white, and blue leather rug that depicts the American flag, and the Presidential seal in snakeskin, $2500. (3) Four 11″ diameter pillow covers and four 8″ diameter seat covers of the same design, $1300. (4) 96″ diameter green, red, and cream colored leather rug of geometric designs, $2000. (5) 37″x25″ pastel portrait of President Clinton wearing a dark suit with a blue shirt and blue and yellow tie. The background is a shimmering lavendar and work is signed in lower right corner; in a 43″x30″ wood frame. Portrait arrived in the Gift Office with the glass shattered, $1000 as is; Recd—August 25, 2000; Est. Value—$9800; Archives Foreign.	The Right Honorable Alhaji Ghali Umar Na'Abba, Speaker of the House of Representatives, National Assembly of the Federal Republic of Nigeria.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	24″ tall Benin gilt and bronze-plated head of an African goddess with her hair in cone-like shape, titled ''The Iya Oba of Oba Akenzua, Monarch of Benin,'' Recd—August 26, 2000; Est. Value—$850; Archives Foreign.	National Assembly of the Federal Republic of Nigeria.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″ long gold key that reads ''Honorary Citizen of the Federal Capital Territory, Abuja, Nigeria;'' Recd—August 26, 2000; Est. Value—$350; Archives Foreign.	His Excellency Olusegun Obasanjo, The President of the Federal Republic of Nigeria and Mrs. Obasanjo.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	(1) 100″ diameter leather embroidered green and white rug, $2100. (2) 18″x12″ green and beige briefcase, $200. (3) 14″x23″ green and beige suitcase, $200. Items 2 and 3 bear a seal that reads ''Federal Republic of Nigeria, Presented to His Excellency, President Bill Clinton of the U.S.A. by the Federal Republic of Nigeria in Commemoration of his Visit to Nigeria 26–28 August 2000;'' Recd—August 26, 2000; Est. Value—$2500; Archives Foreign.		
	(1) Hardcover book. ''Nigeria: A People United, A Future Assured Volume 2,'' $40. (2) Two white baseball caps that read ''Nigeria Welcomes President Bill Clinton 26th–28th August, 2000,'' $20. (3) Two paperbacks. ''Welcome to Nigeria,'' and ''Nigeria Returns to Democracy,'' $20. (4) Two white x-large polo shirts, $40. (5) Four 11″x14″ green cotton placemats that have an orange, green, maroon, and blue tile design with four green cloth napkins and black napkin rings, $40. (6) Four 11″x14″ purple cotton placemats that have an orange yellow, maroon, and blue tile design with four purple cloth napkins and black napkin rings, $40. Items 5–6 read ''Nigeria Welcomes President Bill Clinton.'' (7) 9.5″x8″ plastic plaque that depicts a gold-tone cut out of Nigeria and reads ''Le Niger et ses Deparmements,'' $75; Recd—August 26, 2000; Est. Value—$275; Archives Foreign.		

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
	(1) 35″x27″ hand drawn portrait of the President and First Lady in traditional Nigerian dress against a red and gray background that bears the Nigerian seal and reads ''Unity and Faith, Peace, and Progress.'' The President is wearing blue and the First Lady is wearing green, and they are both wearing hats; in 39″x31″ wood frames, $750. (2) 20″x25″ oil painting on canvas of the President and First Lady against a blue background wearing sunglasses, contained in a blue plastic frame, $25; Recd—August 26, 2000; Est. Value—$775; Archives Foreign. 13″ long black glass panther that sits on a 10″x4″ clear and green display dias; Recd—August 26, 2000; Est. Value—$2000; Archives Foreign. 22″x11″ African Talking Drum with white, purple, and black stripes around the body and leather strips strung vertically around the drum, with hanging gold-tone bells, and the top reads ''Presented by HRM Oba Lamidi Adeyemi III Alaafin of Oyo Nigeria during President Bill Clinton's Official Visit to Nigeria August 2000,'' with a 15″ curved green white, and purple stick; Recd—August 26, 2000; Est. Value—$250; Archives Foreign.		
President	(1) Ten brass-plated 15″ diameter x 16″ tall urns with embossed lids that read ''Welcome to Nigeria President Bill Clinton August 26–28, 2000,'' $650. (2) Ten 18″ diameter matching brass-plated trays, $450; Recd—August 27, 2000; Est. Value—$1100; Archives Foreign.	His Excellency Alhaji Ibrahim Bunu, Minister of Federal Capital Territory of the Federal Republic of Nigeria.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Hardcover book. ''Presidential Homes of Colombia;'' Recd—August 30, 2000; Est. Value—$50; Archives Foreign.	His Excellency Andres Pastrana, The President of the Republic of Colombia and Mrs. Pastrana.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Two 11″ diameter nautilus shell fossils. One of the shells arrived at the White Hose damaged; Recd—September 8, 2000; Est. Value—$500; Archives Foreign.	His Excellency Didier Ratsiraka, President of the Republic of Madagascar.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″x6″x2″ silver box with wood-lined veneer interior. Lid is engraved to read ''Gustavo Noboa Bejarano President Constitutconal de la Republica del Ecuador'' and bears a relief of the Ecuadorian seal; Recd—September 9, 2000; Est. Value—$500; Archives Foreign.	His Excellency Gustavo Noboa, President of the Republic of Ecuador.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) 16″ tall orange, yellow, and red abstract glass sculpture of Lord Ganesh with a circular body standing on a 3″ tall clear gass base, by artist Anjolie Ela Menon, $3500. (2) Hardcover book. ''Anjolie Ela Menon: Paintings in Private Collections,'' by Isana Murti, $30. (3) Paperback. ''The Sacred Prism II: A Rare Artfest of Revered Images in Murano Glass,'' by Gayatri Ruia, $10; Recd—September 13, 2000; Est. Value—$3540; Archives Foreign. 26″ × 35″ oil painting of the President and First Lady with Jesus Christ blessing them, in a 35″ × 45″ ornate gold-tone frame with a plaque that reads ''With Best Compliments From Atal Bihari Vajpayee, Prime Minister of India;'' Recd—September 13, 2000; Est. Value—$1500; Archives Foreign.	His Excellency Atal Bihari Vajpayee, Prime Minister of the Republic of India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″ × 4″ × 1.5″ silver box with an etched lid depicting the Piazza Colonna; Recd—September 20, 2000; Est. Value—$650; Archives Foreign.	His Excellency Giuliano Amato; President of the Council of Ministers of the Italian Republic.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	8″ tall silver filigree incense burner with three legs, that stands on a 5.5″ diameter base. Burner has a rounded body with floral motif and small chains dangling off the side; Recd—October 19, 2000; Est. Value—$300; Archives Foreign.	Her Excellency Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) Three navy and 18 kt. gold S.T. Dupont pens and pencils. (2) Navy and 18 kt. gold S.T. Dupont lighter; Recd—October 24, 2000; Est. Value—$500; Archives Foreign.	His Majesty King Abdullah II bin Hussein of the Hashemite Kingdom of Jordan.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
President	(1) Blue button down shirt with purple embroidery down the right side and around the cuffs and reads ''APEC 2000 Brunei Darussalm,'' $40. (2) Maroon and gold-tone Mont Blanc pen, $150; Recd—November 16, 2000; Est. Value—$190; Archives Foreign.	His Majesty Sultan Haji Hassanal Bolkiah Mu' Izzaddin Waddaulah; Sultan and Yang Di-Pertuan of Brunei Darussalam.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Two 82.5″ tall black lacquer temple vases each elaborately inlaid with a mother-of-pearl and abalone shell bird and floral motif and resting on four 14″ tall Fu dog feet with a circular open deck. The vases are 22″ wide at the top, 25″ wide in the middle, and 19″ wide at the base; Recd—November 17, 2000; Est. Value—$9000; Archives Foreign.	His Excellency Tran Duc Luong; The President of the Socialist Republic of Vietnam and Madame Vinh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	(1) Eight bottles of olive oil. (2) Two bottles of Les Vignes de Tanit red wine. (3) Two bottles of Les Vignes de Tanit white wine. (4) Two bottles of Les Vignes de Tanit blush. (5) Two bags of dates; Recd—December 15, 2000; Est. Value—$300; Accepted by Another Government Agency. 20″ diameter × 15 ″ tall white and brown leather hollow ottoman. Inside the ottoman are two matching 14″ diameter × 5″ tall leather trays; Recd—December 15, 2000; Est. Value—$350; Archives.	His Excellency Zine El-Abidine Ben Ali; The President of the Republic of Tunisia and Mr. Ben Ali.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President	Michael Audiard ink pen; Recd—December 18, 2000; Est. Value—$500; Archives Foreign.	His Excellency Jacques Chirac, President of the French Republic.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	12″ × 16″ silver framed photograph of the King and Queen of Spain in official dress, incribed by the donors; Recd—January 19, 1993; Est. Value—$400; Archives Foreign.	Their Majesties The King and Queen of Spain.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	For the President: Three silk Pellicano ties, with the President's name embroidered on the back. One is royal blue with black dots, one is maroom with light blue and tan stripes, and the third is steel blue with brown and black dots, $225. For the First Lady: 33″ × 28″ Ferragamo silk scarf, trimmed in light pink silk, and embroidererd with pink and yellow roses and a gold-tone braided rope, $245; Recd—December 23, 1999; Est. Value—$470; Archives Foreign. Blue fabric-covered photo album with 8″ × 10 ″ photographs of the President and First Lady's visit to Italy; Recd—December 23, 1999; Est. Value—$50; Archives Foreign.	His Excellency Massimo D'Alema; President of the Council of Ministers of the Italian Republic.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	For the President: Six 8″ × 5″ limited edition reproductions of drawings by 17th century Spanish artist Diego Velazquez. Two drawings depict women's faces, one depicts a man's face, two depict a human figure, and one depicts a city scape; each is matted in a 19″ × 14″ white mat, $300. For the First Lady: Two 11.5″ tall royal blue crystal ''Crystal de la Granja'' reproduction decanters with gilt hand-painted leaves and grapes, and tops that depict the Spanish coat of arms, $300, Recd—February 23, 2000; Est. Value—$600; Archives Foreign.	Their Majesties The King and Queen of Spain.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
President and First Lady	(1) Shinepukur eight piece bone white china set with a ½″ gold and silver half circle border pattern and a thin silver inner circle border, made in Bangladesh. Set includes: (a) 14″ oval serving platter; (b) 4″ tall creamer; (c) 5″ tall sugar bowl with lid; (d) 9″ diameter bowls; (e) 10.5″ plates; (f) 8″ salad plates; (g) 3″ coffee cups; (h) 5.5″ saucers; (i) 9″ serving bowl; (j) 7.5″ tea pot with lid; (k) 11″ inscribed sample plate. Set is $1025. (2) 11″ × 12″ silver fishing boat model encased in a 12″ × 14″ plastic case with a red plastic base inscription that reads ''With Compliments to His Excellency Mr. William J. Clinton President of the United States of America from Sheikh Hasina, Compliments of the People's Republic of Bangladesh, $1000. (3) 30″ × 18″ gold-tone ornate frame that contains a silk embroidered tapestry that depicts an Indian village of people farming, rowing, fishing, and harvesting, with a pink and green floral border, $650; Recd—March 19, 2000; Est. Value—$2675; Archives Foreign.	Her Excellency Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	(1) 24″ × 17″ mother-of-pearl and abalone shell shadow box Nativity that reads ''Bethlehem'' and ''2000'' across the front, $1200. (2) 17″ long × .5″ wide 18 kt. gold florentine oval link necklace, $1200. (3) 8″ matching bracelet, $600; Recd—April 20, 2000; Est. Value—$3000; Archives Foreign.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	Signed photograph of the donor in a 10″ × 15″ wood inlay frame that bears the royal seal of Denmark; Recd—April 28, 2000; Est. Value—$200; Archives Foreign.	His Royal Highness Prince Joachim, Denmark.	Non-acceptance would cause embarrassment to donor and U.S. Government.
	12″ tall Royal Copenhagen blue crystal vase with a silver rim; Recd—April 28, 2000; Est. Value—$1200; Archives Foreign.	.....	
President and First Lady	6″ × 5″ Orrefors lead crystal vase etched with the royal seal of Sweden; Recd—April 28, 2000; Est. Value—$500; Archives Foreign.	Her Royal Highness Crown Princess Victoria, Sweden.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	(1) 8″ × 6″ × 5″ black lacquer jewelry box with a lock and a key that has a red and blue tassel, $300. (2) Two small black lacquer bowls with lids, two saucers, and two spoons. All items have an opal inlay with a dragonfly and flower motif, $150; Recd—May 25, 2000; Est. Value—$450; Archives Foreign.	The Honorable Jong-Kenun You, Governor of Chollabuk-do South Korea.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	For the President: (1) Hardcover book. ''Glittering Islands: Okinawa,'' published by the Okinawa Prefectural Government and embossed with the Summit logo, $60. (2) Black chinkin lacquerware bowl with black wooden stand; the bowl is embossed with a gold-tone border, flowers and leaves, $75. (3) 10″ square brown leather framed poem, ''Hearts of Peace,'' $75. (4) 15″ × 11″ photograph of Japanese calligraphy that reads ''Namkai Shochi'' from the Kyushu-Okinawa Summit 2000, $50. For the First Lady: White gold choker necklace with a Tibetan pearl pendant, $850; Recd—July 19, 2000; Est. Value—$1110; Archives Foreign.	The Honorable Keiichi Inamine, Governor of Okinawa Prefecture, Japan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	(1) Large hardcover book. ''The Nature of Japan 2000,'' commissioned by H.I.H. Prince Norihito Takamado, with a preface by Mayuma Moriyama, $200. (2) 5″ mauve silk peonie contained in a clear plastic box with a black bottom that bears an American flag in the bottom left corner, $45. (3) 11″ × 6″ × 2″ black lacquer letter box with a red interior. Lid has a mother-of-pearl inlay that depicts a dragon with a large starburst design above its head, $500. (4) 28″ × 14″ pink, blue, green, yellow, brown, orange, and purple painting on fabric that depicts four large birds on leaves of grass, matted in a 20″ × 38″ cherry wood frame, $650; Recd—July 19, 2000; Est. Value—$1395; Archives Foreign.	His Excellency Yoshiro Mori, The Prime Minister of Japan and Mrs. Mori.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
President and First Lady	(1) 21″ × 19″ mother-of-pearl and abalone shell arched shadow box Nativity with a large star at the center of the arch and reads ''2000'' across the bottom, and ''Bethlehem'' to the left of star, item arrived at the White House slightly broken, $1000. (2) Three piece jewelry set that includes: (a) choker necklace with oblong links and a 5″ center drape design set with small diamonds on each side, $1750; (b) bracelet set with small diamonds on each side, $750; (c) pair of earrings with set with small diamonds at the center, $700. Each piece is 18 kt. gold; Recd—July 21, 2000; Est. Value—$4200; Archives Foreign.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	For the President: Chess set that includes a 15″ square board with a light wooden frame and mirrored checker pattern; one side's pieces are made from clear glass and the other made from dull glass, $350. For the First Lady: 6″ × 7″ watercolor painting of two African women collecting wood in a forest, with a beige and gold-tone mat, in a 17″ square green wood frame, $250; Recd—August 7, 2000; Est. Value—$600; Archives Foreign.	His Majesty Mswati III, King of the Kingdom of Swaziland.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	For the President: (1) Brown, beige, and black button-front long-sleeve shirt, $75. (2) 38″ × 24″ gold wood framed shadow box that displays a puppet that depicts an Indonesian god, $350. For the First Lady: Two pink table runners with silver embroidery and purple, yellow, green, and white embroidered flowers, one is 68″ × 16″, and the other is 60″ × 34″, $80; Recd—August 23, 2000; Est. Value—$505; Archives Foreign.	His Excellency Abdurrahman Wahid, The President of the Republic of Indonesia and Mrs. Wahid.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	(1) 9″ tall silver water pitcher with a brown hardened coconut shell middle section, $500. (2) 7″ diameter silver platter with a scalloped rim, engraved with the seal of the President of Colombia, $350; Recd—August 30, 2000; Est. Value—$850; Archives Foreign.	His Excellency Andres Pastrana, The President of the Republic of Colombia and Mrs. Pastrana.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	(1) 18″ × 12″ × 4″ red leather briefcase with an elephant motif and interior compartments, $350. (2) Pair of gold earrings with a pearl hanging from two leaves, $300. (3) Maroon silk shalwar kameez with a gold-tone floral pattern that includes a top, a pair of pants, and a 36″ × 96″ shawl, $300. (4) 13″ long red and green cotton purse with cinch top and has mirror inserts, $35. (5) 80″ × 18″ black and white striped shawl with fringe on the ends, $65. (6) 80″ × 18″ red shawl with a black border, green, yellow, and blue stripes, and fringe on the ends, $45. (7) 64″ × 40″ blue, red, and black large striped shawl, $65. (8) 64″ × 40″ black shawl with small black and white stripes in the center bordered by thin red, green, and yellow stripes, $45; Recd—October 19, 2000; Est. Value—$1205; Archives Foreign.	Her Excellency Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	(1) 5.5″ diameter silver dish with a cabochon sapphire, engraved in Arabic, $350. (2) 4″ silver bracelet with three 3″ tassels and encrusted with small sapphires, $450; Recd—October 23, 2000; Est. Value—$800; Archives Foreign.	Their Majesties King Abdullah II and Queen Rania Al Abdullah, Jordan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and First Lady	For the President: 17″ × 19″ mother-of-pearl and abalone shell arched shadow box Nativity that reads ''2000'' across the center, and ''Bethlehem'' on the base, $1200. For the First Lady: Four piece matching jewelry set containing: (a) Gold choker necklace with oblong links and a 4″ center drape design, set with small diamonds, $1800. (b) Gold bracelet set with small diamonds in the three center links, $1200. (c) Pair of gold drop earrings set with small diamonds around the borders and three small diamonds in each drop, $800. (d) Oval-shaped ring with small diamonds around the border and three small diamonds in the center, $550; Recd—November 9, 2000; Est. Value—$5550; Archives Foreign.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
First Family	For the President: (1) Large hardcover book. ''Rajasthan: The Living Traditions,'' $75. (2) Two 5″ × 6″ jade stone frog statues, one is white with gold-tone and red features, and the other is green, $400. (3) Bottle of Floris cologne that is etched with the President's signature, $100. For the First Lady: (1) 7″ × 5″ silver ornate three section cosmetic box in the shape of a mango tree branch with three fruits and curling leaves, $850. (2) 60″ × 48″ beige and tan woven tasar handspun silk fabric, $150. For Chelsea Clinton: 50″ × 73″ bandhej gajji silk dupatta stole with a black, red, gold-tone, yellow, and purple circular twist pattern, $250; Recd—March 22, 2000; Est. Value—$1825; Archives Foreign.	Mr. Ashok Gehlot, Chief Minister, Government of Rajasthan India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Family	For the President: Four brochures welcoming the President to Rajasthan, $5. For the First Lady: (1) Medium beige and red flowered dressing gown with a large floral pattern on the outside and a small floral pattern on the inside, $250. (2) 86″x62″ beige cotton quilt with a pink and green floral pattern and is bordered with a brown, green, and pink floral pattern; inside of quilt has a small pink floral pattern, $350. For Chelsea Clinton: (1) 68″ × 45″ white painted scarf that has a pink, green, blue, and white floral border and a matching floral design in the center of the scarf, $35. (2) Long pink, green, blue, and white floral skirt with a maroon border, $45; Recd—March 23, 2000; Est. Value—$1035; Archives Foreign.	Ms. Bina Kak, Minister of State for Tourism, Government of Rajasthan India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Family	21″ × 24″ crackled gilt wood framed and green matted original antique hand-colored map of ''The Holy Land'' with its division among the Twelve Tribes of Israel and an inset small map of the route of the ''Exodus from Egypt to the Promised Land,'' drawn by Ch. Weigel circa 1720; Recd—March 28, 2000; Est. Value—$500; Archives Foreign.	His Excellency Ariel Sharon, Member of the Knesset of Israel.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Family	For the President: 13.5″ long gold dagger with a curved blade. Sheath is decorated with five emeralds, each surrounded by diamonds. Ivory hilt has one emerald surrounded by diamonds, and a cluster of diamonds at the top. Blade is decorated with Arabic calligraphy and symbols, $3000. For the First Lady and Chelsea Clinton: (1) 12.5″ tall two-handled handpainted vase with brass banding, handles and applique, $250. (2) 10.5″ tall handpainted ewer with brass base, handle, lip, and four applied geometric appliques, $200. (3) 8″ tall handpainted ewer with brass base, lip and handle, $75; Recd—June 20, 2000; Est. Value—$3525; Archives Foreign.	His Majesty Mohamed VI, King of Morocco.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
First Family	For Chelsea Clinton: (1) Two 120″ × 42″ pieces of iridescent orange fabric with a gold-tone, blue, and light blue floral design, $250. (2) 180″ × 42″ piece of iridescent green fabric with embroidered yellow flowers and maroon ends, $175. For the First Lady and Chelsea Clinton: Two sets of six sterling silver napkin rings that read ''Brunei'' and have a floral inlay design, $540. For the First Family: Hardcover book with a green velvet cover. ''The State Mufti's Fatwa Monetary Issues,'' $50. For the President: (1) Two 120″ × 42″ pieces of iridescent green fabric embroidered with gold-tone thread and small green, blue, and orange diamond shapes, $250. (2) Six hardcover books. Two copies of ''Brunei Darussalam: The Country, The Sultan, The People,'' ''Pemimpin Era Baru: Leader of the New Era,'' ''Brunei: An Islamic Nation.'' ''APEC Young Artists Exhibition,'' and ''Abode of Peace: 25 of Asia's Top Photographers in Brunei Darussalam,'' $160. (3) Two CD–ROMs. ''Pemimpin Era Baru: Leader of the New Era'' and ''APEC Young Artists Exhibition,'' $30. (4) 12″ × 14″ × 3″ wooden box that reads ''Leader of the New Era, APEC 2000,'' $30. (5) 12″ long kris with a curved wooden handle and a wooden case with a gold-tone seal, $300. (6) Eight paperbacks. ''Open Economies Delivering to People: APEC's Decade of Progress,'' ''Update of Activities November 2000,'' ''2000 Report on Economic and Technical Cooperation: Ministerial Meeting XII,'' ''2000 APEC Economic Outlook: Report by the Economic Committee,'' ''Committee on Trade and Investment: Annual Report to Ministers 2000,'' ''Towards Knowledge-Based Economies in APEC,'' ''Report of the Executive Director of the APEC Secretariat to the 12th Ministerial Meeting,'' and ''Building the Future of APEC Economies: Move Forward on the New Economy and Entrepreneurship.'' All items were prepared by APEC, $50. (7) Compact disc. ''www.apec-ecotech.org, APEC Ecotech Clearing House,'' by APEC, $15. (8) Man's 18 kt. white gold case and band Piaget Asprey watch; the face bears the seal of Brunei, $6500. (9) Black large jacket that reads ''APEC 2000 Brunei Darussalam,'' $60. (10) Blue cloth photo album that is embroidered to read ''APEC 2000 Brunei Darussalam'' and contains 8″ × 10″ photographs of the APEC Summit, $75. (11) 14″ × 15.5″ green cloth with a gold-tone embroidered border and reads ''APEC 2000 Jame Asr Hassanil Bolkiah Brunei Darussalam,'' framed and matted in a 18″ × 20″ gold-tone frame, $75. (12) 11″ × 16″ black leather briefcase with gold-tone buckles and zippers on the sides that reads ''APEC 2000,'' $80. (13) Two magazines. ''Far Eastern Economic Review'' and ''Asia Inc.'' $5. (14) Three 8″ × 12″ pads of paper that read ''APEC 2000 Brunei Darussalam,'' $10; Recd—November 16, 2000; Est. Value—$8655; Archives Foreign.	His Majesty Sultan Haji Hassanal Bolkiah Mu′ Izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
First Family	For Chelsea Clinton: 42″ long wooden traditional Vietnamese musical instrument with one string and abalone shell inlay on the ends and the sides that depict flowers, dragons, and Vietnamese people, $200. For the First Lady: (1) Scalloped fan-shaped silver box with birds and a floral design on the lid, a farming scene on the sides, with red velvet interior, $350. (2) 22″ × 31″ yellow, green, orange, and black handwoven tapestry that depicts Vietnamese fisherman in two canoes on a river at sunset, framed and matted in a 33″ × 42″ wood frame with a plaque that reads ''With Compliments from President of S.R. Vietnam Tran Duc Luong and Madame,'' $600. (3) Pink photo album of pictures of the First Lady and Chelsea in Vietnam, $30. For the President: (1) 42 hardcover books. ''Tong Tap Van Hoc Vietnam Tron Bo 42 Tap: Volumes 1–42,'' published by Nha Xuat Ban Khoa Hoc Xa Hoi, $840. (2) Green photo album of pictures of the President in Vietnam, $30; Recd—November 17, 2000; Est. Value—$2050; Archives Foreign.	His Excellency Tran Duc Luong, The President of the Socialist Republic of Vietnam and Madame Vinh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Family	For the President: 9.5″ tall Waterford crystal piece with an etching of the President that reads ''Presented to the President of the United States of America, Mr. Bill Clinton, by the Taoiseach, Mr. Bertie Ahern, T.D., 12th December 2000.'' Item stands on a 10″ × 2″ × 4″ black wooden base, $800. For the First Lady: Six silver napkin rings that are engraved with special marks commemorating the Millennium, $390. For Chelsea: Set of six silver stamps celebrating the Millennium, $150; Recd—December 12, 2000; Est. Value—$1340; Archives Foreign.	His Excellency Bertie Ahern, Prime Minister of Ireland.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Family	(1) 6″ × 8″ black leather purse with a suede inner purse that is covered with a hard leather exterior with 1″ diameter holes and round metal handles, $375. (2) 16″ × 12″ × 5″ navy leather briefcase, $600. (3) 24″ × 14″ × 9″ navy leather suitcase, $1200. All items made by Tanner Krolle; Recd—December 13, 2000; Est. Value—$2175; Archives Foreign.	The Right Honorable Tony Blair, M.P., Prime Minister United Kingdom.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	(1) Two bags of coffee. (2) Four boxes of chocolates. (3) Box of nuts and dates. (4) Two containers of mineral salt. (5) Two containers of Middle Eastern candies. (6) Jar of dried flowers. (7) 600 ml of Rivage Natural Dead Sea Minerals Body Mud Mask. (8) Bottle of clear, unmarked liquid. (9) Bottle of Al-Derra. (10) Two Jordan River all natural olive oil soap bars; Recd—January 5, 2000; Est. Value—$125; Accepted by Another Government Agency. (1) 74″ × 106″ cream-colored tablecloth with a green border and an orange, yellow, and green butterfly motif, $165. (2) 15″ × 72″ gold-tone table runner with gold balls along the edges, $45. (3) 14″ diameter purple and white floral handpainted relish tray in a wooden basket, $50. (4) 3″ × 5.5″ straw pouch. $5; Recd—January 5, 2000; Est. Value—$265; Archives Foreign.	Her Majesty Rania al Abdullah, Queen of the Hashemite Kingdom of Jordan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	14″ bronze statue of a runner with one hand raised and the other holding a torch, that sits on a 5.5″ × 1″ bronze base that reads ''A. Racko''; Recd—January 10, 2000; Est. Value—$350; Archives Foreign.	His Excellency Rudolf Schuster, The President of the Slovak Republic and Mrs. Schusterova.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Ornate gold vermeil tea set with grey floral motif. Set includes a 15″ tall electric samovar with a rooster finial, six tea cups with matching saucers, two cream pitchers, a sugar bowl, and a 20″ × 15″ oval serving tray; Recd—February 15, 2000; Est. Value—$5000; Archives Foreign.	His Excellency Heydar Aliyev, President of the Republic of Azerbaijan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Twelve 5.5″ silver dessert spoons and forks with a gold vermeil and green depiction of a Korean palace on each utensil handle; Recd—February 23, 2000; Est. Value—$1000; Archives Foreign.	Mrs. Lee Hee Ho, First Lady of the Republic of Korea.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
First Lady	2.5″ long × 1.5″ tall box from the Silver Collection of the Royal Palace of Madrid. Box is gold vermeil with a finial that depicts two silver doves and has silver bows and ribbons around the sides; Recd—February 24, 2000; Est. Value—$350; Archives Foreign.	Their Majesties The King and Queen of Spain.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	75″ × 50″ brown, green, red, blue, purple, and pink salawas cotton rug with a primitive motif; Recd—March 21, 2000; Est. Value—$150; Archives Foreign.	The Honorable Anshuman Singh, Governor of Rajsthan, India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	(1) 32″ ornate gold-tone belt, encrusted with red, green orange jewels set in 1.5″ paisley and circular patterns throughout the length of the belt, $900. (2) 22″ gold vermeil necklace with linked charms, doves, and glass jewels that descend 5″, $250; Recd—April 3, 2000; Est. Value—$1150; Archives Foreign.	His Excellency Ali Abdullah Saleh, President of the Republic of Yemen.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	12″ square black lacquer wood cabinet that with a gold Japanese nature scene on an amber-glittered door, with a purple tassel handle; Recd—May 2, 2000; Est. Value—$2500; Archives Foreign.	His Excellency Yoshiro Mori, Prime Minister of Japan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	1.5″ × 2″ 18 kt. gold rectangle with engraved pictures of Queen Noor and King Hussein; Recd—May 12, 2000; Est. Value—$650; Archives Foreign.	Her Majesty Queen Noor al Hussein, Jordan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Bouquet of roses, lilies, peonies, and gladiolas; Recd—May 22, 2000, Est. Value—$125; Accepted by Another Government Agency. Twelve silver napkin holders, three each in the shape of lions, elephants, cheetahs, and rams; Recd—May 22, 2000; Est. Value—$360; Archives Foreign.	Mr. Thabo Mbeki, President of the Republic of South Africa.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Three piece jewelry set that includes a necklace, pair of earrings, and bracelet. Each piece is 18 kt. gold with circular links that have diamond chips around blue sapphires; Recd—June 1, 2000; Est. Value—$5550; Archives Foreign.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	7.5″ silver letter opener with a rhodochrosite stone, engraved with ''Republica Argentina VI 2000'', Recd—June 13, 2000; Est. Value—$200; Archives Foreign.	His Excellency Fernando de la Rua, President of the Argentine Nation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Cream and gold-tone silk and lace traditional Moroccan dress with a gold-tone and cream embroidered lace floral overlay; Recd—June 16, 2000; Est. Value—$500; Archives Foreign.	His Majesty Mohamed VI, King of Morocco.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Large bouquet of flowers that includes yellow calla lilies, pink, peach, and bronze-colored roses, peach lupine, fuchsia gerber daisies, cream-colored and purple dendrobium orchids, banana leaves, yellow spider mums, yellow and pink cocks comb, and purple heather; Recd—June 22, 2000; Est. Value—$500; Accepted by Another Government Agency.	His Majesty Mohamed VI, King of Morocco.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	11.5″ tall x 3″ wide solid bronze statue of a woman with long hair wearing a flowing dress with her arms folded in front of her waist; Recd—July 4 2000; Est. Value—$750; Archives Foreign.	His Excellency Rudolf Schuster, The President of the Slovak Republic and Mrs. Schusterova.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	Peruvian silver pen set that includes a ballpoint and faux ink well, and is mounted on a 5″ x 6″ base of black marble; Recd—September 4, 2000; Est. Value—$500; Archives Foreign.	Mrs. Keiko Sofia Fujimori, First Lady of Peru.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	7″ x 1.25″ 22 kt. gold reversible bracelet with five links of diamonds on one side, and red and green enamel on the other, with screw clasp; Recd—September 13, 2000; Est. Value—$8500; Archives Foreign.	His Excellency Atal Bihari Vajpayee, Prime Minister of Republic of India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	14″ diameter x 10″ tall white porcelain scalloped with a 6'' square marble base, that contains pink and white tiger lillies, peach-colored amaryllises, pink and purple hydrangea, purple cocks comb, blue bells, and assorted greenery; Recd—November 9, 2000; Est. Value—$300; Accepted by Another Government Agency.	His Excellency Abdelsam Jaidi, Consul General of the Kingdom of Morocco.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
First Lady	6″ x 18″ white ovular ceramic planter holding white and orange lillies, red roses, white hydrangea, banana leaves, red gerbert daisies, purple dendrobium orchids, and blue bells; Recd—November 9, 2000; Est. Value—$500; Accepted by Another Government Agency.	His Majesty Mohamed VI, King of Morocco.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	2″ 22 kt. gold brooch in the shape of a ''Bunga Simpor'' flower, set with diamonds and burgundy coral beads; Recd—November 17, 2000; Est. Value—$2000; Archives Foreign.	Her Royal Highness Pengiran Isteri Hajjah Mariam binti Haji Abdul Aziz, Second Wife of Sultan of Brunei.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	21″ tall x 18″ wide x 32.5″ long wooden table with three sides painted with a gold-tone, green, red, blue, pink, and black enamelled pattern of dragons, flowers, and swirls. Table has gold-tone top and one shelf; Recd—December 5, 2000; Est. Value—$1200; Archives Foreign.	Her Majesty Ashi Dorji Wangmo Wangchuck, Queen of Bhutan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady	(1) Black leather Bernard-Richards watch with a gold-tone face, $350. (2) 34″ x 34″ red, pink, orange, and yellow Hermes scarf with a swirl and star pattern, $150; Recd—December 18, 2000; Est. Value—$500; Archives Foreign.	His Excellency Jacques Chirac, President of the French Republic.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady and Chelsea	For the First Lady: Women's brown and white Gobi cashmere turtleneck sweater. For Chelsea Clinton: Women's Gobi cashmere light aqua short-sleeved sweater; Recd—January 16, 2000; Est. Value—$300; Archives Foreign.	His Excellency Jalbuugiin Choinhor, Ambassador of the Republic of Mongolia.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady and Chelsea	Two traditional Bangladeshi silk and cotton blended six yard sarees. One is rose-colored with gold thread and is made of thicker silk that measures 222″ x 49″, $150. The other is white with a gold border that measures 150'' x 53'', and is accompanied by a smaller matching shawl that measures 90″ x 35″, $175; Recd—March 19, 2000; Est. Value—$325; Archives Foreign.	Her Excellency Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
First Lady and Chelsea	For the First Lady: 2″ 18 kt. white gold Chatila brooch in the shape of a flower, set with diamonds and topaz stones, $5000. For Chelsea Clinton: 18 kt. white gold Royal Diamond watch with a black leather alligator strap with diamonds and onyx stones set in the watch face, $1875; Recd—November 17, 2000; Est. Value—$6875; Archives Foreign.	Her Majesty Paduka Seri Baginda Raja Isteri Pengiran Anak Hajah Saleha binti Al-Marhum Pengiran Pemancha Pengiran Anak Haji Mohamed Alam, First Wife of Sultan of Brunei.	Non-acceptance would cause embarrassment to donor and U.S. Government.
President and Chelsea	(1) Four wooden bowls with hand carved designs. Two are 10″ in diameter and dark brown on the outside with a fish and lizard motif on the inside, $50. Two are natural colored on the outside, one 13″ in diameter, and one 14″ in diameter, $70. One is carved to read ''Presented to President Bill Clinton By Senator Khairat Abdul-Razaq Gwadabe,'' and two read ''Presented to Chelsea Clinton,'' around the rims, $130. (2) 46″ × 70″ purple cloth banner and fringe on one end that depicts the shape of Nigeria, with photographs of President Clinton and President Obasanjo, and reads ''President Clinton Welcome to Nigeria, 26th to 28th August, 2000,'' $150; Recd—August 25, 2000; Est. Value—$400; Archives Foreign.	The Honorable Senator Khairat Abdulrasaq-Gwadabe, National Assembly of the Federal Republic of Nigeria.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Chelsea	(1) Blue, teal, and cream-colored silk scarf depicting characters edged in black and detailed in silver, $65. (2) Black leather purse with a teal and blue fabric flap, $250; Recd—March 21, 2000; Est. Value—$315; Archives Foreign.	His Excellency Kocheril Raman Narayanan, The President of India and Mrs. Narayanan.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Chelsea	22″ tall cloth doll wearing a traditional red, green, and beige Russian dress with a hat and wicker shoes, set on a display stand; Recd—July 19, 2000; Est. Value—$150; Archives Foreign.	His Excellency Vladimir Putin, President of the Russian Federation.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Chelsea	Pair of pre-Columbian 18 kt. gold circular earrings with emeralds in the center; Recd—August 30, 2000; Est. Value—$250; Archives Foreign.	His Excellency Andres Pastrana, The President of the Republic of Columbia and Mrs. Pastrana.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Chelsea	1.5″ wide 18kt. gold butterfly-shaped brooch; Recd—August 30, 2000; Est. Value—$550; Archives Foreign.	The Honorable Miguel E. Raad Hernandez, Governor of the Department of Bolivar Columbia.	Non-acceptance would cause embarrassment to donor and U.S. Government.

EXECUTIVE OFFICE OF THE PRESIDENT—REPORT OF TANGIBLE GIFTS—Continued

[Report of Travel or Expenses of Travel—2000]

Name and title of person accepting the gift on behalf of the U.S. Government	Gift, date of acceptance on behalf of the U.S. Government, estimated value, and current disposition or location	Identity of foreign donor and government	Circumstances justifying acceptance
Chelsea	24″ × 32″ oil painting on panel of Chelsea Clinton wearing a blue skirt and top, looking over her shoulder at a women a red and yellow sari walking through an arched doorway of an Indian temple with beige, maroon, and green walls, in a 32″ × 42″ ornately carved wood frame; Recd—September 13, 2000; Est. Value—$18000; Archives Foreign.	His Excellency Atal Bihari Vajpayee, Prime Minister of the Republic of India.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Karen Tramontano, Assistant to the President and Counselor to the Chief of Staff.	18 yards of gold brocade and blue cloth; recd—March 24, 2000; Est. Value—$3585; General Services Administration.	Her Excellency Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Samuel Berger, Assistance to the President for National Security Affairs.	(1) 79″ wide V-shaped black shawl with a hand embroidered woven border, $350. (2) Three piece jewelry set that includes a 17″ clasp necklace, $1400; a 8″ clasp bracelet, $750; and a pair of pierced earrings, $300. Each piece is made 18 kt. gold linked rounds; Recd—May 20, 2000; Est. Value—$2800; Recipient purchased item from General Services Administration. Red and black lady's lined jacket, $200; Recd—May 20, 2000; Est. value—$200; Recipient purchased item from General Services Administration.	Mr. Yasser Arafat, Chairman Executive Committee of the Palestine Liberation Organization.	Non-acceptance would cause embarrassment to donor and U.S. Govenrment.
Samuel Berger, Assistant to the President for National Security Affairs.	12″ × 14″ oil painting on canvas of an impressionist forest scene with trees, in a 3.5″ wide gold frame; Recd—May 24, 2000; Est. Value—$550; General Services Administration.	His Excellency Mugur Isarescu, Prime Minister of Romania.	Non-acceptance would cause embarrassment to donor and U.S. Government.
Arturo Valenzuala, Special Assistant to the President and Senior Director.	South American silver powder horn with attached chain and incised floral motif; Recd—September 5, 2000; Est. Value—$425; General Services Administration.	Her Excellency Marlene Fernandez del Granado, Ambassador of the Republic of Bolivia.	Non-acceptance would cause embarrassment to donor and U.S. Government.

[FR Doc. 01–4280 Filed 2–26–01; 8:45 am]

BILLING CODE 4710–20–M

Federal Register

Tuesday,
February 27, 2001

Part V

Department of Health and Human Services

Administration for Children and Families

Request for Applications Under the Office of Community Services' Fiscal Year 2001 Assets for Independence Demonstration Program (IDA Program); Notice

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

[Program Announcement No. OCS–2001–04]

Request for Applications Under The Office of Community Services' Fiscal Year 2001 Assets for Independence Demonstration Program (IDA Program)

AGENCY: Office of Community Services (OCS), Administration for Children and Families, Department of Health and Human Services

ACTION: Announcement of availability of funds and request for competitive applications under the Office of Community Services' Assets for Independence Demonstration Program.

SUMMARY: The Administration for Children and Families (ACF), Office of Community Services (OCS), invites eligible entities to submit competitive grant applications for new demonstration projects that will establish, implement, and participate in the evaluation of Individual Development Accounts for lower income individuals and families. Applications will be screened and competitively reviewed as indicated in this Program Announcement. Awards will be contingent on the outcome of the competition and the availability of funds.

DATES: To be considered for funding applications must be *postmarked* on or before June 12, 2001. Applications postmarked after that date will not be accepted for consideration. See Part IV of this announcement for more information on submitting applications.

FOR FURTHER INFORMATION CONTACT: Sheldon Shalit (202) 401–4807, sshalit@acf.dhhs.gov, or Richard Saul (202) 401–9341, rsaul@acf.dhhs.gov, Department of Health and Human Services, Administration for Children and Families, Office of Community Services, 370 L'Enfant Promenade, SW, Washington, DC, 20447.

In addition, this Announcement is accessible on the OCS WEBSITE for reading or downloading at: *http://www.acf.dhhs.gov/programs/ocs/* under ''Funding Opportunities.''

The Catalog of Federal Domestic Assistance (CFDA) number for this program is 93.602. The title is Assets for Independence Demonstration Program (IDA Program).

SUPPLEMENTARY INFORMATION: This program announcement consists of seven parts plus Attachments:

Part I: Background Information: Legislative authority, program purpose, project goals, definition of terms, and program evaluation.

Part II: Program Objectives and Requirements: Program priority areas, eligible applicants, project and budget periods, funds availability and grant amounts, project eligibility and requirements, non-Federal matching funds requirements, preferences, multiple applications, treatment of program income, and agreements with partnering financial institutions.

Part III: The Project Description, Program Proposal Elements and Review Criteria: Purpose, project summary/abstract; objectives and need for assistance, results or benefits expected, approach, organizational profiles, budget and budget justification, non-Federal resources, and evaluation criteria.

Part IV: Application Procedures: Application development/availability of forms, application submission, intergovernmental review, initial OCS screening, consideration of applications, and funding reconsideration.

Part V: Instructions for Completing Application Forms: SF424, SF424A, SF424B.

Part VI: Contents of Application and Receipt Process: Content and order of program application, acknowledgment of receipt.

Part VII: Post Award Information and Reporting Requirements: Notification of grant award, attendance at technical assistance and evaluation workshops/conferences, reporting requirements, audit requirements, prohibitions and requirements with regard to lobbying, applicable Federal regulations.

Attachments: Application forms and required attachments.

Paperwork Reduction Act of 1995

Public reporting burden for this collection of information is estimated to average 10 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed and reviewing the collection information.

The project description is approved under OMB control number 0970–0139 which expires 12/31/2003.

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.

Part I. Background Information

A. Legislative Authority

The Assets for Independence Demonstration Program (IDA Program) was established by the Assets for Independence Act (AFI Act), under Title IV of the Community Opportunities, Accountability, and Training and Educational Services Act of 1998 (Pub. L. 105–285, 42 U.S.C. 604 Note), as amended.

B. Program Purpose

The purpose of the program is, in the language of the AFI Act: to provide for the establishment of demonstration projects designed to determine:

(1) The social, civic, psychological, and economic effects of providing to individuals and families with limited means an incentive to accumulate assets by saving a portion of their earned income;

(2) The extent to which an asset-based policy that promotes saving for postsecondary education, homeownership, and microenterprise development may be used to enable individuals and families with limited means to increase their economic self-sufficiency; and

(3) The extent to which an asset-based policy stabilizes and improves families and the community in which the families live.

There are some 300 IDA programs of various designs operating today in different communities across the country. Most are quite new and all are in the process of learning what design features work best with a variety of circumstances and target populations. Applicants are encouraged to contact these programs to see what might be learned from their experiences: what pitfalls to avoid, what successes might be emulated or adapted. An excellent source of information and discussion about existing IDA programs is the website operated by the Corporation for Enterprise Development (CFED), and its ''IDA Learning Network'' and related ListServe. These can be reached at *www.idanetwork.org.* In addition, the OCS Demonstration Division expects its website to be up in February 2001 at www.acf.dhhs.gov/programs/ocs/demo.

C. Project Goals

The ultimate goals of the projects to be funded under the Assets for Independence Demonstration Program are:

(1) To create, through project activities and interventions, meaningful asset accumulation opportunities for households eligible for Temporary Assistance for Needy Families (TANF) and other eligible individuals and working families.

(2) To evaluate the projects to demonstrate the effectiveness of these activities and interventions and of the

project designs through which they were implemented, and the extent to which an asset-based program can lead to economic self-sufficiency of members of the communities served through one or more qualified expenses; and

(3) Thus to make it possible to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an incentive to accumulate assets by saving a portion of their earned income, and the extent to which an asset-based policy stabilizes and improves families and the community in which the families live.

D. Definition of Terms

For the purposes of this Announcement:

(1) *AFI Act* means the Assets for Independence Act (Title IV of the Community Opportunities, Accountability, and Training and Educational Services Act of 1998, as amended) which authorizes this program.

(2) *Custodial Account* means an alternative structure to a Trust for the establishment of an Individual Development Account, as described in PART II, Section G(5).

(3) *Eligible Individual* means an individual who meets the income and net worth requirements of the program as set forth in PART II, Section G(3)(a) below.

(4) *Emergency Withdrawal* means a withdrawal of only those funds, or a portion of those funds, deposited by the eligible individual (Project Participant) in an Individual Development Account of such individual. Such withdrawal must be approved by the Project Grantee, must be made for an allowable purpose as defined in the AFI Act and under the Project Eligibility Requirements set forth in Part II of this Announcement, and must be repaid by the individual Project Participant within 12 months of the withdrawal. [See Part II, Section G(7)(b)]

(5) *Household* means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

(6) *Individual Development Account (IDA)* means a trust or a custodial account created or organized in the United States exclusively for the purpose of paying the qualified expenses of an eligible individual, or enabling the eligible individual to make an emergency withdrawal, but only if the written governing instrument creating the trust or custodial account meets the requirements of the AFI Act and of the Project Eligibility and Requirements set forth in this Announcement. [See Part II, Section G(4) and (5).]

(7) *Net Worth of a Household* means the aggregate market value of all assets that are owned in whole or in part by any member of the household, exclusive of the primary dwelling unit and one motor vehicle owned by a member of the household, minus the obligations or debts of any member of the household.

(8) *Project Grantee* means a Qualified Entity as defined in paragraph (11) below, which receives a grant pursuant to this Announcement.

(9) *Project participant* means an Eligible Individual as defined in paragraph (3) above who is selected to participate in a demonstration project by a qualified entity.

(10) *Project Year* means, with respect to a funded demonstration project, any of the 5 consecutive 12-month periods beginning on the date the project is originally awarded a grant by ACF.

(11) *Qualified Entity* means an entity eligible to apply for and operate an assets for independence demonstration project, under Priority Area 1.0, as one or more not-for-profit 501(c)(3) tax exempt organizations, or a State or local government agency or a tribal government submitting an application jointly with such a not-for-profit organization, or an entity that—

(I) is—

(a) a credit union designated as a low-income credit union by the National Credit Union Administration (NCUA); or

(b) an organization designated as a community development financial institution (CDFI) by the Secretary of the Treasury (or the Community Development Financial Institutions Fund); and

(II) can demonstrate a collaborative relationship with a local community-based organization whose activities are designed to address poverty in the community and the needs of community members for economic independence and stability.

(12) *Qualified Expenses* means one or more of the expenses for which payment may be made from an individual development account by a project grantee on behalf of the eligible individual in whose name the account is held, and is limited to expenses of (A) post-secondary education, (B) first home purchase, and/or (C) business capitalization, as defined below:

(A) *Post-Secondary Educational Expenses* means post-secondary educational expenses paid from an individual development account directly to an eligible educational institution, and includes:

(i) *Tuition and Fees* required for the enrollment or attendance of a student at an eligible educational institution.

(ii) *Fees, Books, Supplies, and Equipment* required for courses of instruction at an eligible educational institution, including a computer and necessary software.

(iii) *Eligible Educational Institution* means the following:

(I) *Institution of Higher Education*—An institution described in Section 101 or 102 of the Higher Education Act of 1965.

(II) *Post-Secondary Vocational Education School*—An area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4)) which is in any State (as defined in section 521(33) of such Act) as such sections are in effect on the date of enactment of the AFI Act.

(B) *First-Home Purchase* means qualified acquisition costs with respect to a principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due. Within this definition:

(i) *Principal Residence* means a main residence, the qualified acquisition costs of which do not exceed 120 percent of the average purchase price applicable to a comparable residence in the area.

(ii) *Qualified Acquisition Costs* means the cost of acquiring, constructing, or reconstructing a residence, including usual or reasonable settlement, financing, or other closing costs.

(iii) *Qualified First-Time Homebuyer* means an individual participating in the project involved (and, if married, the individual's spouse) who has no present ownership interest in a principal residence during the 3-year period ending on the date on which a binding contract is entered into for purchase of the principal residence to which this subparagraph applies.

(C) *Business Capitalization* means amounts paid from an individual development account directly to a business capitalization account that is established in a Qualified Financial Institution and is restricted to use solely for qualified business capitalization expenses of the eligible individual in whose name the account is held. Within this definition:

(i) *Qualified Business Capitalization Expenses* means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan, when so certified by a Qualified Entity (Grantee) as meeting the requirements of sub-paragraphs (ii), (iii), and (iv) below.

(ii) *Qualified Expenditures* means expenditures included in a qualified plan, including but not limited to capital, plant, equipment, working capital, and inventory expenses.

(iii) *Qualified Business* means any business that does not contravene any law or public policy (as determined by the Secretary).

(iv) *Qualified Plan* means a business plan, or a plan to use a business asset purchased, which—

(I) is approved by a financial institution, a microenterprise development organization, or a nonprofit loan fund having demonstrated fiduciary integrity;

(II) includes a description of services or goods to be sold, a marketing plan, and projected financial statements; and

(III) may require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor.

(D) *Transfers to IDAs of Family Members*—Amounts paid from an individual development account directly into another such account established for the benefit of an eligible individual who is—

(i) the individual's spouse; or

(ii) any dependent of the individual with respect to whom the individual is allowed a deduction under section 151 of the Internal Revenue Code of 1986.

(13) *Qualified Financial Institution* means a Federally insured Financial Institution, or a State insured Financial Institution if no Federally insured Financial Institution is available.

(14) *Qualified Savings of the Individual for the Period* means the aggregate of the amounts contributed by an eligible individual from earned income to the individual development account of the individual during the period.

(15) *Secretary* means the Secretary of Health and Human Services, acting through the Director of the Office of Community Services.

(16) *Tribal Government* means a tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (24 U.S.C. 450b) or a Native Hawaiian organization, as defined in section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

(17) *Trust Agreement* means the instrument by which an Individual Development Account is established as a trust in the partnering Financial Institution under Part II Section G(4).

(18) *Trustee* means the Qualified Financial Institution responsible for management of an Individual Development Account established as a trust pursuant to a Trust Agreement.

E. Program Evaluation

Section 414 of the Assets for Independence Act requires that the Secretary enter into a contract with an independent research organization to evaluate the demonstration projects conducted under the Act, individually and as a group, including evaluating all qualified entities participating in and sources providing funds for the demonstration projects conducted under the AFIA Act. To support this evaluation, the AFIA also provides that not less than 2% of funds in the Reserve Fund be used by grantees to provide the independent research organization with such information regarding the demonstration project as may be required for the evaluation. The Secretary has contracted with Abt Associates, in Cambridge, Massachusetts, to carry out the required evaluation. OCS and ACF's Office of Planning, Research and Evaluation (OPRE) have worked together with the contractor in the development of an evaluation design whose implementation will get underway in the Spring of 2001.

Section 414 also lists the factors to be addressed by the research organization in its evaluation, which include:

(1) The effect of incentives and institutional support on savings behavior;

(2) The savings rates of individuals based on demographic characteristics and income;

(3) The economic, civic, psychological and social effects of asset accumulation and how such effects vary among different populations or communities;

(4) The effects of IDA's on savings rates, home ownership, level of post secondary education attained, and self-employment, and how such effects vary among different populations or communities;

(5) The potential financial returns to the Federal Government and to other public and private sector investors in IDA's over a 5 and 10 year period;

(6) The lessons to be learned from the demonstration projects and if a permanent program of IDA's should be established; and

(7) Such other factors as the Secretary may prescribe.

The section then stipulates that in evaluating any demonstration project under the AFIA, the research organization shall, before, during and after the project, obtain such quantitative data as are necessary to evaluate the program thoroughly. To this end OCS and its technical assistance contractor, PeopleWorks, Inc., have worked with OPRE and the research organization to develop a reporting format for AFIA grantees, and expect to make available to all grantees an Asset Development Information System to facilitate the maintenance, collection, verification and reporting of the data. In addition, section 414 directs that the research organization shall develop a qualitative assessment, derived from sources such as in-depth interviews, of how asset accumulation affects individuals and families.

Section 414 of the AFIA, as amended, further provides that of the funds appropriated for each Fiscal Year, beginning with FY 2001, $500,000 will be available to carry out the evaluation.

Part II. Program Objectives and Requirements

The Office of Community Services (OCS) invites qualified entities to submit competing grant applications for new demonstration projects that will establish, support, manage, and participate in the evaluation of Individual Development Accounts for eligible participants among lower income individuals and working families.

A. Program Priority Areas

There is one Program Priority Area under this program for Fiscal Year 2001: Priority Area 1.0, under which OCS will accept applications from Qualified Entities as described below and in Section G. Applications for continuation of grants funded under Priority Area 2.0 of the Fiscal Year 1999 Assets For Independence Program Announcement are not covered by this Program Announcement; but will be the subject of direct correspondence between OCS and the grantees.

B. Eligible Applicants

(1) *In general.* Eligible applicants for the Assets for Independence Demonstration Program Priority Area 1.0 are one or more not-for-profit 501(c)(3) tax exempt organizations, or a State or local government agency or a tribal government submitting an application jointly with such a not-for-profit organization, or an entity that—

(I) is—

(a) a credit union designated as a low-income credit union by the National Credit Union Administration (NCUA); or

(b) an organization designated as a community development financial institution by the Secretary of the Treasury (or the Community Development Financial Institutions Fund); and

(II) can demonstrate a collaborative relationship with a local community-

based organization whose activities are designed to address poverty in the community and the needs of community members for economic independence and stability.

Not-for-profit Applicants, including those filing jointly with government agencies or Tribal Governments, must provide documentation of their tax exempt status. The applicant can accomplish this by providing a copy of the applicant's listing in the Internal Revenue Service's (IRS) most recent list of tax-exempt organizations described in Section 501(c)(3) of the IRS code *or* by providing a copy of their currently valid IRS tax exemption certificate. Failure to provide evidence of Section 501(c)(3) tax exempt status will result in rejection of the application. Similarly, eligible credit unions and CDFI's must provide written documentation of their status and evidence of their collaborative relationship with an appropriate local community-based organization.

(2) *Applications submitted jointly by state or local government agencies or tribal governments and tax exempt non-profit organizations.* Joint applications by government agencies and non-profit organizations must clearly identify the joint applicants; and the SF 424 Application for Federal Assistance must be signed by one of the joint applicants. The applicant signing the SF 424 will be responsible for proper implementation of the grant in accordance with the approved work program and the terms and conditions of the grant. (It may be either the government agency applicant or a non-profit applicant). In either case, a Reserve Fund must be established for the Project by a non-profit Joint Applicant, and maintained and managed as agreed by the Joint Applicants. The Reserve Fund must be established in accordance with Section G, Paragraphs (1) and (2), below; and where the project includes a group or consortium of operating partners, may include both a central and local Reserve Funds as described there. Such joint applications must also include:

(a) proof of tax exempt status of the non-profit Joint Applicant, as described in Paragraph (1), above; and

(b) a Joint Applicant Agreement, signed by the responsible officials of both Joint Applicants, setting forth the responsibilities of each Joint Applicant for implementation of the proposed project, including management and oversight of the Reserve Fund and carrying out of the project activities and interventions described in Element II of the proposal narrative. (See Part III, below.) The Joint Applicant Agreement should be the first Appendix to the Application, and the responsibilities it sets out should be described in the Project Narrative under Elements I and II, Part III, Section I Evaluation Criteria (below).

(3) Applications submitted by a lead agency on behalf of a consortium of partnering organizations. Where the Applicant is applying as the lead agency for a consortium or group of partnering organizations, each of these organizations must be briefly described in the Application, and background materials citing their relevant experience and staff capabilities should be included in the Appendix. In such cases the Applicant should document its capability and experience in managing such consortia, and the roles and responsibilities of all Participating agencies should be clearly set forth in signed Partnering Agreements between the Applicant and each of the Partnering members. Copies of the Partnering Agreements should be included in the Appendix, and the roles and responsibilities of each participating agency clearly explained in Part III, Element I and Element II(b), Project Design, and reflected in the Work Plan under Element II(d). These explanations must include the plans for establishing one or more Reserve Fund(s), and how and where IDA Accounts and Parallel Match Accounts will be maintained, as reflected in the Financial Institution Agreement(s)/Statement of Policy under Part III, Element II(c). (See also Section G. Paragraph (1), and Section M, below.)

C. Project and Budget Periods under Priority Area 1.0

This announcement is inviting applications under Priority Area 1.0 for project and budget periods of five (5) years. Grant actions, on a competitive basis, will award funds for the full five year project and budget period. As noted below in Section E., subject to the availability of funds, grantees may be offered the opportunity to submit applications for supplementary funding in later years during the five-year project.

Note: Applicants should be aware that OCS funds awarded pursuant to this Announcement will be from FY 2001 funds and may not be expended after the end of the five-year Project/Budget Period to support administration of the project or matching contributions to Individual Development Accounts which may be open at that time. Consequently, Applicants should consider carefully the length of time participants will need to achieve their savings goals and at what point in the project they may wish to discontinue the opening of new accounts. Consequently, and as noted below, deposit of non-Federal share funds needs to be carried out on a schedule consistent with the planned schedule of new account opening. Applicants should provide assurance that in every case provision will be made for payment of all promised matching deposits to IDA accounts opened by project participants in the course of the demonstration project.

D. Funds Availability and Grant Amounts under Priority Area 1.0

In Fiscal Year 2001 OCS expects approximately $13 million to be available under Priority Area 1.0 for funding commitments to approximately 45 new projects, generally not to exceed $500,000 each for the five-year project and budget periods. However, in special circumstances where applicants have secured over $500,000 in non-Federal share contributions which they will lose if not able to secure a Federal grant of equal amount, applications for up to $1 million will be considered; but the agency would prefer to limit initial grants to not more than $500,000, with the possibility open to additional supplemental funding in years two and three of the project. Applicants are reminded that grant awards are limited to the amount of committed non-Federal cash matching contributions; and that OCS recognizes that this is a limiting factor in the amount of grant funds requested. Applicants are assured that OCS will welcome requests for less than the maximum grant amounts, and are urged to make realistic projections of project activity over the five year project and propose project budgets accordingly. As in the past, subject to the availability of funds and the progress of individual demonstration projects, grantees that have raised additional cash non-Federal share contributions may be given the opportunity to request supplementary funding in later years during the five-year project. Draw-down of grant funds over the five-year budget period may be made in amounts that will match non-Federal deposits into the Project Reserve Fund. (See Section G. Paragraph (2) and Section I, below).

E. Funds Availability for Supplementing FY 1999 and 2000 Grantees

As explained in the FY 1999 and 2000 Assets for Independence Program Announcements and noted above, subject to availability of funds and the progress of individual demonstration projects, grantees may be offered the opportunity to submit requests for supplementary funding during the five-year project, if there were a determination that this would be in the best interest of the government. Pursuant to those Announcements, approximately $7 million of FY 2001 funds will in like manner be made

available for supplementary grants to FY 1999 and 2000 grantees which will be solicited directly by OCS. Any funds not expended for supplementary grants will be available for new project grants under Priority Area 1.0, and vice versa.

F. Funds Availability and Grant Amounts for Continuation Funding of Grandfathered State Grantees (FY 1999 Priority Area 2.0 Grantees: Indiana and Pennsylvania)

In Fiscal Year 2001 up to approximately $2 million is expected to be available under Priority Area 2.0 for up to two continuation grants not to exceed $1 million each for the third budget year of a five-year State project funded under Priority Area 2.0 of the FY 1999 Assets for Independence Program Announcement. Any funds not expended in FY 2001 for these Continuation Grants will be available for project grants under Priority Area 1.0 or for supplementary grants as described above in Paragraph E.

G. Project Eligibility and Requirements under Priority Area 1.0

To be eligible for funding under Priority Area 1.0, projects must be sponsored and managed by Qualified Entities and must meet the following requirements:

(1) Reserve Fund

Every project funded under this Announcement must establish and maintain a Reserve Fund in accordance with this paragraph. Such Reserve Fund must be maintained in accordance with the accounting regulations prescribed by the Secretary (See 65 FR 10027, Feb. 25, 2000), in a Qualified Financial Institution or other insured financial institution satisfactory to the Secretary.

Note: Where an applicant is lead agency for a consortium or group of partnering organizations, each of which will be implementing an IDA program under the Applicant's grant pursuant to this Announcement, the Applicant/lead agency must maintain a Reserve Fund into which all required non-Federal share matching contribution funds and OCS grant funds shall be deposited in accordance with sub-Paragraph (a). The consortium has two alternatives for maintenance of Reserve Fund(s) in its IDA programs: First, participating organizations may all operate out of the one central Reserve Fund maintained by the Applicant/lead agency. In this case separate accounting structures would be maintained for each of the organizations and the funds assigned for their use in accordance with agreements between the Applicant and each organization. Or second, in addition to the Central Reserve Fund, participating organizations may each establish a local Reserve Fund in their community into which the Applicant/lead agency will deposit from the Central Reserve Fund the funds (grant and non-Federal share) allocated for use by the particular organization. Central and local Reserve Funds will be subject to all of the requirements of this Section. Whatever the arrangement, it must be spelled out and agreed to in the Partnering Agreements required under Section B. Paragraph (3) between the Applicant and each consortium member.

(a) *Amounts in the reserve fund.* As soon after receipt as is practicable, grantees shall deposit in the Reserve Fund the non-Federal matching contributions received pursuant to the ''Non-Federal Share Agreement'' or Agreements reached with the provider(s) of non-Federal matching contributions. Once such non-Federal funds are deposited in the Reserve Fund, grantees may draw down OCS grant funds in amounts equal to such deposits. Similarly, as soon after receipt as practical, grantees shall deposit in the Reserve Fund the income received from any investment made of those funds (see paragraph (d) below).

(b) *Use of amounts in the reserve fund.* Grantees shall use the amounts in such Reserve Fund as follows:

(A) at least 85% of the federal grant funds, and an equal amount of the required non-Federal share funds, shall be used as matching contributions, equally divided between federal and non-federal monies, to individual development accounts for project participants, in an agreed upon ratio to deposits made in those accounts by project participants from earned income.

(B) at least 2% but no more than 15% of the Federal grant funds shall be used toward the expense of collecting and providing to the research organization evaluating the demonstration project the data and information required for the evaluation.

(C) up to 7.5% of the Federal grant funds may be used for administration of the demonstration project and, and an additional 5.5% shall go toward non-administrative support expenses of assisting project participants to obtain the skills (including economic literacy classes, budgeting, and business management skills), training, and information necessary to achieve economic self-sufficiency through activities requiring qualified expenses. If the cost of such non-administrative support expenses is less than 5.5% of the Federal grant funds, then any unused portion may be used for administrative expenses.

(D) up to 15% of the required matching non-Federal funds may be used for expenses outlined in Paragraphs (B) and (C), above, or other project-related expenses as agreed by the Applicant and the providing entity.

Note: If a grantee mobilizes matching non-Federal contributions in excess of the required 100 percent match, such non-Federal funds may be used however the grantee and provider of the funds may agree. Where the use of such funds is proposed within a Program Element/Proposal Review Criterion which formed the basis for the grant award, Grantees will be held accountable for commitments of such excess matching funds and additional resources, even though over the amount of the required non-Federal match.

(c) *Authority to invest funds.* A grantee shall invest the amounts in its Reserve Fund that are not immediately needed for payment under paragraph (b), in a manner that provides an appropriate balance between return, liquidity, and risk, and in accordance with Guidelines which will be issued by the Secretary prior to making of grant awards and provided to grantees at the time of grant award.

(d) *Use of investment income.* Income generated from investment of Reserve Fund monies that are not allocated to existing Individual Development Accounts may be added by grantees to the funds committed to program administration, participant support, or evaluation data collection. As noted in Paragraph M, below, once funds have been committed as matching contributions to Individual Development Accounts, then any income subsequently generated by such funds must be deposited/credited to the credit of such accounts.

Note: No part of such income is to be considered as a Federal funds contribution subject to the $2000/$4000 limitations under Paragraph (5)(b), below.

(e) *Joint project administration.* If two or more qualified entities are jointly administering a project, none shall use more than its proportional share for the purposes described in subparagraphs (B) and (C), of paragraph (b).

(2) Use of Grant Funds by State and Local Government Agencies and Tribal Governments.

As set forth in Section B. Paragraph (2) above, grantees who are State or local government agencies or Tribal governments are required to submit applications jointly with tax exempt non-profit organizations. In such cases, whether the lead applicant signing the SF 424 is the government agency or the non-profit organization, a Reserve Fund must be established for the Project by the non-profit Joint Applicant and maintained and managed as agreed by the Joint Applicants. The Reserve Fund

shall be subject to the requirements of Paragraph (1) above, and Section I, below.

(3) Eligibility and Selection of Project Participants

(a) *Participant eligibility.* Eligibility for participation in the demonstration projects is limited to individuals who are members of households eligible for assistance under TANF, or of households whose adjusted gross income does not exceed the earned income amount described in Section 32 of the Internal Revenue Code of 1986, which establishes eligibility for the Earned Income Tax Credit (EITC)(taking into account the size of the household), or of households whose annual income does not exceed 200% of the poverty income guidelines as established and published by the Department of Health and Human Services, and whose net worth as of the end of the calendar year preceding the determination of eligibility does not exceed $10,000, excluding the primary dwelling unit and one motor vehicle owned by a member of the household.

Note: The most recent EITC Earned Income Guidelines which set the limits on annual income for eligibility in the IDA Program are as follows:

—for a household without a child: $10,380.
—for a household with one child: $27,413.
—for a household with more than one child: $31,152.

The most recent Poverty Income Guidelines (published in February 2000) are set forth in Attachment M to this Announcement. Annual revisions of these Guidelines are normally published in the **Federal Register** in February or early March of each year. Where relevant to IDA Project criteria, grantees will be required to apply the most recent guidelines throughout the project period. These revised guidelines may be obtained at public libraries, Congressional offices, or by writing the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. They are also accessible on the OCS Website for reading and/or downloading (www.acf.dhhs.gov/programs/ocs).

Applicants are reminded that there is also a net worth assets test for eligibility in the program, as noted above.

(b) Participant Selection. In keeping with the statutory preference in Section 405(d)(3) of the AFI Act for applications that target individuals from neighborhoods or communities that experience high rates of poverty or unemployment, grantees in their selection of Project Participants may restrict participation in such neighborhoods or communities targeted by their demonstration projects to individuals and households with lower incomes and net worth than set forth above, provided that they shall nonetheless select individuals who they determine are well suited to participate in the demonstration project.

(4) Establishment of Individual Development Accounts

Project Grantees must create, through written governing instruments, either (a) Trusts, under this paragraph, or (b) Custodial Accounts described in Paragraph (5) below, which will be Individual Development Accounts on behalf of Project Participants. Trustees of Trusts must be Qualified Financial Institutions. Custodians of Custodial Accounts may be Qualified Financial Institutions, other insured financial institutions satisfactory to the Secretary, or Demonstration Project Grantees. In every case the Participant's personal savings from earned income shall be deposited in the Participant's Individual Development Account in a participating insured financial Institution, which in the case of Qualified Entities which are eligible Credit Unions or CDFI's, may be the Qualified Entity itself. In every case where the participating insured financial institution and the Demonstration Project Grantee are not one and the same, both shall be parties to the written governing instruments creating the Trust or Custodial Account. Such instruments must contain the following provisions:

(a) All contributions to the accounts must be either in cash, by check, money order, or by electronic transfer of funds.

(b) The assets of the account will be invested in accordance with the direction of the Project Participant after consultation with the grantee and pursuant to the guidelines of the Secretary (which will be issued prior to the making of grant awards and made available to grantees at the time of grant award).

(c) The assets of the account will not be commingled with other property except in a common trust fund or parallel account or common investment fund.

(d) In the event of the death of the Project Participant, any balance remaining in the account shall be distributed within 30 days of the date of death to another Individual Development Account established for the benefit of an eligible individual as directed by the deceased Participant in the Savings Plan Agreement under sub-paragraph (g), below; provided, that the Participant may at their option direct the disposition of any funds in the account which were deposited in the account by the Participant as he or she may see fit, except that where such disposition is not to another Individual Development Account, all matching contributions made by the grantee to the account, and any income earned thereby, shall be returned to the Reserve Fund. [Note that this will mean that each Project Participant must provide such direction at the time the Individual Development Account is established. Provision should be made by grantees for modification of such directions during the course of the project, in the event of changing circumstances.]

(e) Except in the case of the death of the Project Participant, amounts in the account attributable to deposits by the grantee from grant funds and matching non-federal contributions, and any interest thereon, may be paid, withdrawn or distributed out of the account only for the purpose of paying qualified expenses of the Project Participant including transfers under Paragraph (7)(d), below).

(f) The procedures governing the withdrawal of funds from the Individual Development Account, for both Qualified Expenses and Emergency Withdrawals, must comply with the provisions of Paragraph (7) Withdrawals from Individual Development Accounts, below.

(g) A ''Savings Plan Agreement'' between the grantee and the Project Participant, which may be incorporated by reference, and which should include: (1) Savings goals (including a proposed schedule of savings deposits by the Participant from earned income, which may be for a period of less than five years); (2) the rate at which participant savings will be matched (from one dollar to eight dollars for each dollar in savings deposited by Participant, the Federal grant funds portion of which may not exceed $2000 during the five-year project period); (3) the proposed qualified expense for which the Account is maintained, (4) agreement by the grantee to provide and the Participant to attend classes in Economic Literacy; (5) any additional training or education related to the qualified expense which the Grantee agrees to provide and of which the Participant agrees to partake, (6) contingency plans in the event that the Participant exceeds or fails to meet projected savings goals or schedules, (7) any agreement as to investments of assets described in subparagraph (b), above, (8) an explanation of withdrawal procedures and limitations, including the consequences of unauthorized withdrawal, (9) provision for disposition of the funds in the account

in the event of the Participant's death (see sub-Paragraph (d), above; and (10) provision for amendment of the Agreement with the concurrence of both Grantee and Participant.

(5) Custodial Accounts

As provided in Paragraph (4), above, Grantees may, in the alternative, create, through written governing instruments, Custodial Accounts which shall be Individual Development Accounts on behalf of Project Participants, except that they will not be trusts. As in the case of trusts established under paragraph (4), the written governing instruments of the accounts must contain the requirements outlined in subparagraphs (a) through (g) of that paragraph, with the following exceptions. Whereas trustees of the trusts created under Paragraph (4) must be Qualified Financial Institutions, the assets of the custodial account may be held by a bank or another ''person'' (or institution) who demonstrates to the satisfaction of the Secretary that the manner in which the account will be administered will be consistent with the provisions of the AFI Act, and that the IDA's will be created and maintained as described in paragraph (4) and Section 404(5)(A) of the AFI Act. In addition, in the case of a custodial account treated as a trust by reason of this paragraph, the custodian of such account may be the Project Grantee, provided that it can assure compliance with the requirements of Paragraph (4) above, and Section 404(5)(A) of the AFI Act. These arrangements would place the ''custodial'' responsibilities with the grantee, and relieve financial institutions of trustee obligations. The Secretary has determined that the assets of any such accounts must be held in an insured financial institution and be subject to the provisions of Paragraph M, below, pertaining to agreements between applicants/grantees and participating financial institutions.

Within the meaning of this OCS Program Announcement, IDA ''Custodial Accounts'' in which project participants deposit their savings may be solely owned by the participant and in the sole name of the participant. Funds in the account may only be expended for ''Qualified Expenses'' or an ''Emergency Withdrawal'' as defined in the AFIA and this Program Announcement; and in keeping with this restriction, any withdrawals must be approved in writing by a responsible official of the project grantee. At the same time, if the participant requests approval for an ''unauthorized withdrawal'', that is, for other than a ''Qualified Expense'' or ''Emergency Withdrawal'' as defined in the AFIA, and Part I, Section D (4) and (12), above, the project grantee must agree to approve such an ''Unauthorized Withdrawal'', with the explicit understanding on the part of both the grantee and the participant, that the participant thereby loses any matching funds credited to the account, and must exit the program.

(6) Deposits in Individual Development Accounts

(a) Matching contributions. Not less than once every three months during the demonstration project grantees will make deposits into Individual Development Accounts as matching contributions to deposits from earned income made by Project Participants during the period since the previous deposit. Such deposits may be made either into the accounts themselves or into a parallel account maintained by the grantee in an insured financial institution (or in the grantee institution itself, in the case of grantees which are eligible Credit Unions or CDFI's).

Note: Deposits made by Project Participants shall be deemed to have been made from earned income so long as the Participant's earned income (as defined in Section 911(d)(2) of the Internal Revenue Code of 1986) during the period since the Participant's previous deposit in the account is greater than the amount of the current deposit.

Section 911(d)(2) provides, in relevant part, ''the term 'earned income' means wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered''.

Matching contributions (as deposits to IDA accounts or to parallel accounts) must be made to IDA's in equal amounts from Federal grant funds and the non-Federal public and private funds committed to the project as matching contributions, as described in Section I below, and Sections 405(c)(4) and 406(b)(1) of the AFI Act. Such matching contribution deposits by grantees may be from $0.50 to $4 in non-Federal funds and an equal amount in Federal grant funds, for each dollar of earned income deposited in the account by the Project Participant in whose name the account is established. At the time matching contribution deposits are made, the grantee will also deposit into the Individual Development Account (or the parallel account) any interest or income that has accrued since the last deposit on amounts previously deposited in or credited to that IDA in the parallel account.

(b) *Additional matching contributions.* Once such equal matching contribution deposits are made, grantees may make additional matching contributions to IDA's from other non-Federal sources, or other Federal sources, such as TANF, where the legislation or policies governing such programs so permit. Such additional matching contributions would *not* be a use of funds falling within any Program Element/Proposal Review Criterion under Part III below, which formed the basis for the grant award, and as such, grantees will *not* be held accountable for their commitment to the project.

(c) *Limitations on matching contributions.* Over the course of the five year demonstration, not more than $2,000 in Federal grant funds shall be provided through matching contributions to any one individual; and not more than $4,000 shall be provided to IDA's in any one household. [As noted in Paragraph (1)(d), above, no part of any investment income earned by monies in the Reserve Fund or a parallel account credited to the Participant is to be considered as a Federal funds contribution subject to this limitation.]

(7) Withdrawals From Individual Development Accounts

(a) *Limitations.* Under no circumstances may funds be withdrawn from an Individual Development Account earlier than six months after the initial deposit by a Project Participant in the Account. Thereafter funds may be withdrawn from such account only upon written approval of the Project Participant and of a responsible official of the project grantee, and only for one or more Qualified Expenses (as defined in Part I) or for an Emergency Withdrawal. (But see Paragraph (5) Custodial Accounts, above, for the Participant's right to make ''unauthorized withdrawals'' and the consequences thereof.)

(b) *Emergency withdrawals.* An Emergency Withdrawal may only be of those funds, or a portion of those funds, deposited in the account by the Project Participant, and only for the following purposes:

(i) expenses for medical care or necessary to obtain medical care for the Project Participant or a spouse or dependent of the Participant;

(ii) payments necessary to prevent eviction of the Project Participant from, or foreclosure on the mortgage for, the principal residence of the Participant;

(iii) payments necessary to enable the Project Participant to meet necessary living expenses (food, clothing, shelter—including utilities and heating fuel) following loss of employment.

(c) *Reimbursement of emergency withdrawals.* A Project Participant shall reimburse an Individual Development Account for any funds withdrawn from the account for an Emergency Withdrawal, not later than 12 months after the date of the withdrawal. If the Participant fails to make the reimbursement, the Project Grantee must transfer back to its Reserve Fund Federal and non-Federal matching contributions deposited into the account or a parallel account, and any income generated thereby. Any remaining funds deposited by the Project Participant (plus any income generated thereby) shall be returned to such Project Participant.

Applicants are urged to consider the establishment of a separate alternative crisis or emergency loan fund that can respond to participant emergencies without having them risk putting their IDA in jeopardy because of an inability to make reimbursement within the required timeframe.

(d) *Transfers to individual development accounts of family members.* At the request of a Project Participant, and with the written approval of a responsible official of the grantee, amounts may be paid from an individual development account directly into another such account established for the benefit of an eligible individual who is—

(i) the Participant's spouse, or

(ii) any dependent of the Participant with respect to whom the Participant is allowed a deduction under section 151 of the Internal Revenue Code of 1986.

Note that such transfers may be made to dependents who in turn would become IDA project participants who would be able to use these funds for any of the Qualified Expenditures defined in Part I. Applicants are reminded of the limit of $4000 in Federal IDA matching contributions per household.

H. Project Eligibility and Requirements Under Priority Area 2.0

As previously noted in Part II Section A, there is no Priority Area 2.0 under this Announcement. Applications for continuation of grants funded under Priority Area 2.0 of the Fiscal Year 1999 Assets For Independence Program Announcement will be the subject of direct correspondence between OCS and the grantees.

I. Non-Federal Matching Funds Requirements

Applicants must obtain firm commitments for at least one hundred percent of the requested OCS grant amount in cash non-Federal share for deposit to the Reserve Fund as matching contribution. Public sector resources that can be counted toward the minimum required match include funds from State and local governments, and funds from various block grants allocated to the States by the Federal Government provided that the authorizing legislation for these grants permits such use. Note, for example, that Community Development Block Grant (CDBG) funds *may* be counted as matching funds; Community Services Block Grant (*CSBG*) *funds may not.* With regard to State TANF funds, any State funds that comprise Maintenance Of Effort (MOE) under the TANF regulations may NOT be used as required non-Federal share under this Announcement. (But see discussion of Additional Matching Contributions in Paragraph (6)(a), above.)

To be considered for funding an Application must include a copy of a ''Non-Federal Share Agreement'' or Agreements in writing executed by the Applicant and the organization or organizations providing the required non-Federal matching contributions, signed for the organization by a person authorized to make a commitment on behalf of the organization, and signed for the Applicant by the person signing the SF424. Such Agreement(s) must include: (1) a commitment by the organization to provide the non-Federal funds contingent only on the grant award; and (2) an agreement as to the schedule of the opening of Individual Development Accounts by the Applicant, and the schedule of deposits by the organization to the project's Reserve Fund, such that the two schedules will together assure that there will be at all times in the Reserve Fund non-Federal matching contribution funds sufficient to meet the maximum pledges of matching contributions under the ''Savings Plan Agreements'' for all Individual Development Accounts then open and being maintained by the grantee as part of the demonstration project.

Thus, for example, if the provider of non-Federal share only agrees to a fixed schedule of deposits, this non-Federal share requirement can be met by the Applicant agreeing to a schedule for opening new accounts that will assure that new IDA accounts will only be opened when there are sufficient funds in the Reserve Fund to meet the maximum amount of matching contributions pledged under the ''Savings Plan Agreements''.

Where the Applicant is itself providing any of the required cash non-Federal share, it must include a statement of commitment, on applicant letterhead, signed by the official signing the SF 424 *and countersigned by the Applicant's Board Chairperson or Treasurer, that the non-Federal matching funds will be provided, contingent only on the OCS grant award, and that non-Federal share deposits to the Reserve Fund and the opening of Individual Development Accounts will be coordinated so that new accounts will only be opened when there are sufficient funds in the Reserve Fund to cover the maximum matching requirements of the Savings Plan Agreements.*

With regard to Applicants which are State or local government agencies or Tribal governments, submitting jointly with tax exempt non-profit organizations, note that under Section G Paragraphs (1) and (2), above, Reserve Funds are required to be established as in other applications/projects.

OCS has determined that the strict legislative limitations on the use of Federal grant funds and of the minimum required non-Federal match (under the recent amendments to the AFIA, at least 85% of each must go toward matching deposits in Individual Development Accounts) mean that important training, counseling and support activities, critical to the success of a project, may best be supported by additional resources, both of the applicant itself and mobilized by the applicant in the community. Consequently, Applicants are encouraged to mobilize additional resources, which may be cash or in-kind contributions, Federal or non-Federal, for support of project administration and assistance to Project Participants in obtaining skills, knowledge, and needed support services. (See Part III, Element V) Applicants are reminded that they will be held accountable for commitments of such additional resources even if over the amount of the required non-Federal match.

J. Preferences

In accordance with the provisions of the AFI Act, in considering an application to conduct a demonstration project under this Announcement, OCS will give preference to an application that:

(1) demonstrates the willingness and ability of the applicant to select eligible individuals for participation in the project who are predominantly from households in which a child (or children) is living with the child's biological or adoptive mother or father, or with the child's legal guardian.

Note: Applications that target TANF eligible households will be deemed to have met this preference.

(2) provides a commitment of non-Federal funds with a proportionately greater amount of such funds committed from private sector sources; and

(3) targets individuals residing within one or more relatively well-defined neighborhoods or communities (including rural communities) that experience high rates of poverty or unemployment.

Note: Applications which target residents of Empowerment Zones, Enterprise Communities, Public Housing, or CDFI Fund-designated Distressed Communities will be deemed to have met this preference. (For information on CDFI Fund designation of Distressed Communities applicants may visit the CDFI Help Desk Website at: http://www.cdfifundhelp.gov.)

Each of these preferences will be valued at 2 points in the Application Review process, so that applicants not meeting these preferences will have 2 points subtracted from its score for a given Proposal Element for each preference not met. [Preferences (1) and (3) fall under Proposal Element II(a); Preference (2) falls under Proposal Element V(a)]. In the case of a consortium of organizations operating programs funded through a lead agency, if a majority of the participating organizations meet these legislative preferences, the Application as a whole will be awarded these points.

K. Multiple Applications

Qualified Entities may submit more than one application for different demonstration projects, but no more than one such application will be funded to the same Qualified Entity pursuant to this Announcement.

L. Treatment of Program Income.

As noted in Section G Paragraph (1)(d), above, income generated from investment of unallocated funds in the Reserve Fund may be added to the funds already committed from the Reserve Fund to program administration, participant support, or evaluation data collection. However, once funds have been committed as matching contributions to Individual Development Accounts, then any income subsequently generated by such funds must be deposited proportionately to the credit of such accounts.

Note: No part of such income is to be considered as a Federal funds contribution subject to the $2000/$4000 limitations under Section G Paragraph (6)(c), above.

M. Agreements with Partnering Financial Institutions/Statements of Policy

One of the most critical parts of a successful IDA project is the relationship between the project operator and a partnering financial institution, be it a bank or credit union. Not only does the financial institution provide the situs of the Individual Development Accounts, but it also represents for IDA holders their doorway to mainstream economic life: savings and checking accounts, ATM machines, payroll deduction savings, home mortgages, and the opportunity for credit repair, student and business loans, all within a framework of sound financial planning. Moreover, many banks see non-Federal share contributions to the project's Reserve Fund as sound investments which not only offer them tax deductions and CRA credit, but also introduce them to a whole new body of potential long-term clients.

For all these reasons it is vitally important for applicants to develop strong and mutually supportive relationships with the financial institutions which will be their partners in carrying out the IDA project. Thus, all applicants under this Announcement must enter into agreements with one or more insured Financial Institutions, in collaboration with which Reserve Funds and Individual Development Accounts will be established and maintained. [For applicants which are eligible Credit Unions or CDFI's, see Note at end of this Section, below.]

To be considered for funding, an Application submitted by other than an eligible Credit Union or Community Development Financial Institution must include a copy of an Agreement or Agreements with one or more partnering insured Financial Institutions which include(s) the provisions set out in Part III Element II(c), which state(s) that the accounting procedures to be followed in account management will conform to Guidelines (CFR Part 74) established by the Secretary (Note: Such regulations may be found at 45 CFR part 1000), and under which the partnering insured Financial Institution agrees to provide data and reports as requested by the applicant. In the case of IDA's established as Trusts under Section G Paragraph (4), above, the partnering financial institution must be a Qualified Financial Institution as defined in PART I Section D(12). In the case of IDA's established as Custodial Accounts, the partnering financial institution must be insured and must meet the requirements of Section G Paragraph (5), above, to the satisfaction of the Secretary. [For applications submitted by eligible Credit Unions or Community Development Financial Institutions (CDFI's) see Note below.]

The Agreement may also include other services to be provided by the partnering Financial Institution that could strengthen the program, such as Financial Education Seminars, favorable pricing or matching contributions provided by the Financial Institution, and assistance in recruitment of Project Participants. Strong and complete Agreements with financial institutions will be recognized in the application review process under Sub-Element II(c) of the application Evaluation Criteria under Part III, below.

Note: In the case of applications submitted by eligible Credit Unions or Community Development Financial Institutions, where the Reserve Fund and IDA accounts are to be held by the applicant Institution itself, the applicant must submit, in lieu of a Financial Institution Agreement, a Statement of Policy, approved by its Board of Directors and attested to by its Chairperson and Chief Financial Officer, which meets the requirements set forth in this section (M.) and in Part III Sub-Element II(c). This Statement of Policy will be considered in the application review process under Sub-Element II(c). Where such applicants are proposing the establishment of Reserve Fund(s) or IDA's in other partnering Financial Institutions, they must submit as part of their applications copies of Agreements with such Partnering Financial Institution(s) in accordance with this section (M.).

Part III. The Project Description, Program Proposal Elements and Review Criteria

A. Purpose

The project description provides the major means by which an application is evaluated and ranked to compete with other applications for available assistance. The project description should be concise and complete and should address the activity for which Federal funds are being requested. Supporting documents should be included where they can present information clearly and succinctly. Applicants are encouraged to provide information on their organizational structure, staff, related experience, and other information considered to be relevant. Awarding offices use this and other information to determine whether the applicant has the capability and resources necessary to carry out the proposed project. It is important, therefore, that this information be included in the application. However, in the narrative the applicant must distinguish between resources directly

related to the proposed project from those that will not be used in support of the specific project for which funds are requested.

B. Project Summary/Abstract

Provide a summary of the project description (a page or less) with reference to the funding request.

C. Objectives and Need for Assistance

Clearly identify the physical, economic, social, financial, instructional, and/or other problem(s) requiring a solution. The need for assistance must be demonstrated and the principal and subordinate objectives of the project must be clearly stated; supporting documentation, such as letters of support and testimonials from concerned interests other than the applicant, may be included. Any relevant data based on planning studies should be included or referred to in the endnotes/footnotes. Incorporate demographic data and participant/beneficiary information, as needed. In developing the project description, the applicant may volunteer or be requested to provide information on the total range of projects currently being conducted and supported (or to be initiated), some of which may be outside the scope of the program announcement.

D. Results or Benefits Expected

Identify the results and benefits to be derived. For example, describe the population to be recruited to the IDA program, how many accounts are projected to be opened, what qualified expenses are expected to be achieved, and how they will assist participants to move towards self-sufficiency.

E. Approach

Outline a plan of action which describes the scope and detail of how the proposed work will be accomplished. Account for all functions or activities identified in the application. Cite factors which might accelerate or decelerate the work and state your reason for taking the proposed approach rather than others. Describe any unusual features of the project such as design or technological innovations, reductions in cost or time, or extraordinary social and community involvement.

Provide quantitative monthly or quarterly projections of the accomplishments to be achieved for each function or activity in such terms as the number of people to be served and the number of accounts opened. When accomplishments cannot be quantified by activity or function, list them in chronological order to show the schedule of accomplishments and their target dates.

If any data is to be collected, maintained, and/or disseminated, clearance may be required from the U.S. Office of Management and Budget (OMB). This clearance pertains to any ''collection of information that is conducted or sponsored by ACF''.

List organizations, cooperating entities, consultants, or other key individuals who will work on the project along with a short description of the nature of their effort or contribution.

F. Organization Profiles

Provide information on the applicant organization(s) and cooperating partners such as organizational charts, financial statements, audit reports or statements from CPAs/Licensed Public Accountants, Employer Identification Numbers, names of bond carriers, contact persons and telephone numbers, child care licenses and other documentation of professional accreditation, information on compliance with Federal/State/local government standards, documentation of experience in the program area, and other pertinent information. Any non-profit organization submitting an application must submit proof of its non-profit status in its application at the time of submission. The non-profit agency can accomplish this by providing a copy of the applicant's listing in the Internal Revenue Service's (IRS) most recent list of tax-exempt organizations described in Section 501(c)(3) of the IRS code, *or,* by providing a copy of the currently valid IRS tax exemption certificate, *or,* by providing a copy of the articles of incorporation bearing the seal of the State in which the corporation or association is domiciled.

G. Budget and Budget Justification

Provide a line item detail and detailed calculations for each budget object class identified on the Budget Information form. Detailed calculations must include estimation methods, quantities, unit costs, and other similar quantitative detail sufficient for the calculation to be duplicated. The detailed budget must also include a breakout by the funding sources identified in Block 15 of the SF–424.

Provide a narrative budget justification that describes how categorical costs are derived. Discuss the necessity, reasonableness, and allocability of the proposed costs.

The following guidelines are for preparing the budget and budget justification. Both Federal and non-Federal resources shall be detailed and justified in the budget and narrative justification. For purposes of preparing the budget and budget justification, ''Federal resources'' refers only to the ACF grant for which you are applying. Non-Federal resources are all other Federal and non-Federal resources. It is suggested that budget amounts and computations be presented in a columnar format: first column, object class categories; second column, Federal budget; next column(s), non-Federal budget(s), and last column, total budget. The budget justification should be a narrative.

Personnel

Description: Costs of employee salaries and wages.

Justification: Identify the project director or principal investigator, if known. For each staff person, provide the title, time commitment to the project (in months), time commitment to the project (as a percentage or full-time equivalent), annual salary, grant salary, wage rates, etc. Do not include the costs of consultants or personnel costs of delegate agencies or of specific project(s) or businesses to be financed by the applicant.

Fringe Benefits

Description: Costs of employee fringe benefits unless treated as part of an approved indirect cost rate.

Justification: Provide a breakdown of the amounts and percentages that comprise fringe benefit costs such as health insurance, FICA, retirement insurance, taxes, etc.

Travel

Description: Costs of project-related travel by employees of the applicant organization (does not include costs of consultant travel).

Justification: For each trip, show the total number of traveler(s), travel destination, duration of trip, per diem, mileage allowances, if privately owned vehicles will be used, and other transportation costs and subsistence allowances. Travel costs for key staff to attend ACF-sponsored workshops should be detailed in the budget.

Equipment

Description: ''Equipment'' means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of (a) the capitalization level established by the organization for the financial statement purposes, or (b) $5,000. (Note: Acquisition cost means the net invoice unit price of an item of equipment,

including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in-transit insurance, freight, and installation shall be included in or excluded from acquisition cost in accordance with the organization's regular written accounting practices.)

Justification: For each type of equipment requested, provide a description of the equipment, the cost per unit, the number of units, the total cost, and a plan for use on the project, as well as use or disposal of the equipment after the project ends. An applicant organization that uses its own definition for equipment should provide a copy of its policy or section of its policy which includes the equipment definition.

Supplies

Description: Costs of all tangible personal property other than that included under the Equipment category.

Justification: Specify general categories of supplies and their costs. Show computations and provide other information which supports the amount requested.

Contractual

Description: Costs of all contracts for services and goods except for those which belong under other categories such as equipment, supplies, construction, etc. Third-party evaluation contracts (if applicable) and contracts with secondary recipient organizations, including delegate agencies and specific project(s) or businesses to be financed by the applicant, should be included under this category.

Justification: All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Recipients and subrecipients, other than States that are required to use Part 92 procedures, must justify any anticipated procurement action that is expected to be awarded without competition and exceed the simplified acquisition threshold fixed at 41 USC 403(11) (currently set at $100,000.) Recipients might be required to make available to ACF pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, etc.

Note: Whenever the applicant intends to delegate part of the project to another agency, the applicant must provide a detailed budget and budget narrative for each delegate agency, by agency title, along with the required supporting information referred to in these instructions.

Other

Enter the total of all other costs. Such costs, where applicable and appropriate, may include but are not limited to insurance, food, medical and dental costs (noncontractual), professional services costs, space and equipment rentals, printing and publication, computer use, training costs, such as tuition and stipends, staff development costs, and administrative costs.

Justification: Provide computations, a narrative description and a justification for each cost under this category.

H. Non-Federal Resources

Amounts of non-Federal resources that will be used to support the project as identified in Block 15 of the SF–424. The firm commitment of these resources must be documented and submitted with the application in order to be given credit in the review process. A detailed budget must be prepared for each funding source.

I. Evaluation Criteria

Proposal Elements and Review Criteria for Applications

Each application which passes the initial screening will be assessed and scored by three independent reviewers. Each reviewer will give a numerical score for each application reviewed. These numerical scores will be supported by explanatory statements on a formal rating form describing major strengths and weaknesses under each applicable criterion published in the Announcement. Scoring will be based on a total of 100 points, and for each application will be the average of the scores of the three reviewers.

The competitive review of proposals will be based on the degree to which applicants:

(1) Adhere to the requirements in Part II and incorporate each of the Elements and Sub-Elements below into their proposals, so as to:

(2) Describe convincingly a project that will develop new asset accumulation opportunities for households eligible for TANF and other eligible individuals and working families that can lead to a transition from dependency to economic self-sufficiency through the accumulation of assets and the pursuit of activities requiring one or more qualified expenses; and

(3) Provide for the collection and validation of relevant data to support the national evaluation to be carried out by the independent research organization, under contract with ACF, of the project design, implementation, and outcomes of this Demonstration Program.

In order to simplify the application preparation and review process, OCS seeks to keep grant proposals cogent and brief. Applications with project narratives (excluding Project Summaries, Budget Justifications and Appendices) of more than 30 letter-sized pages of 12 c.p.i. type or equivalent on a single side will not be reviewed for funding. Applicants should prepare and assemble their project description using the following outline of required project elements. They should, furthermore, build their project concept, plans, and application description upon the guidelines set forth for each of the project elements.

Project descriptions are evaluated on the basis of substance, not length. Pages should be numbered and a table of contents should be included for easy reference. For each of the Project Elements or Sub-Elements below there is at the end of the discussion a suggested number of pages to be devoted to the particular element or sub-element. These are suggestions only; but the applicant must remember that the overall Project Narrative must not be longer than 30 pages.

Evaluation Criteria 1: Organizational Profiles

Element I. Organizational Experience and Administrative Capability; Ability to Assist Participants. (0 to 20 points)

Criterion: The capability and relevant experience of the applicant and its partners and collaborators in developing and operating programs which deal with poverty problems similar to those to be addressed by the proposed project. Applicants should include their experience and capability in providing supportive services to TANF recipients and other low income individuals and working families seeking to achieve economic stability and self-sufficiency; and in recruiting, educating, and assisting project participants to increase their economic independence and general well-being through economic literacy education and the accumulation of assets.

Applications should briefly cite a few specific, concrete examples of successful programs and activities, with accomplishments, with which applicant has been involved which have contributed to its experience and capability to carry out the proposed project. This should include experience in working with the target or similar populations, as well as collaborative programming and operations which involve financial institutions and

financial planning, budget counseling, educational guidance, preparation for home ownership, and/or self-employment training.

Applications should identify applicant agency executive leadership in this section and briefly describe their involvement in the proposed project and provide assurance of their commitment to its successful implementation. (This can be achieved by a statement or letter from agency executive leadership which may be included in the Appendix.) The application should note and justify the priority that this project will have within the agency including the facilities and resources that it has available to carry it out.

The application must also identify the individual staff person(s) who will have the most responsibility for managing the project, coordinating services and activities for participants and partners, and for achieving performance targets. The focus should be on the qualifications, experience, capacity and commitment to the program of the key staff person(s) who will administer and implement the project, and the application should indicate the amount of time (in FTE) each will be expected to devote to the project. The person identified as Project Director should have supervisory experience, experience in working with financial institutions and budget related problems of the poor, and experience with the target population. Because this is a demonstration project within an already-established agency, OCS expects that the key staff person(s) would be identified, if not hired, in which case a resume or resumes should be included in the Appendix. If the person or persons have not been identified, then Position Description(s) should be included in the Appendix.

Finally, the application should cite the roles, responsibilities, and experience of any other organizations that will be collaborating with the Applicant to assist and support Project Participants in the pursuit of their goals under the project. Supporting documentation concerning these partnering agencies and their commitment to participation in the project should be included in the Appendix to the proposal.

Where the Applicant is applying as the lead agency for a consortium of partnering organizations, each of these organizations should be briefly described in this section of the Project Narrative; and background materials citing their relevant experience and staff capabilities should be included in the Appendix. In such cases the Applicant should document its capability and experience in managing such consortia, and the roles and responsibilities of all participating agencies should be clearly set forth in Partnering Agreements between the Applicant and each of the member organizations. Copies of the Agreements should be included in the Appendix, and the roles and responsibilities clearly explained in Element II(b), Project Design, and reflected in the Work Plan under Element II(d).

It is suggested that applicants use no more than 5 pages for this sub-Element, not counting actual resumes or position descriptions, which should be included in an Appendix to the proposal. Background materials on consortium members (if any) and other collaborating agencies, supportive materials, and Partnering Agreements with members should also be included in the Appendix.

Evaluation Criteria 2: Approach I

Element II. Sufficiency of the Project Theory, Design, and Plan (0–45 points)

Criterion: The degree to which the project described in the application appears likely to result in the establishment of a workable, fiscally sound program that will provide a structure of incentives and supports for TANF eligible households and other working families of limited means that will enable them to increase their economic self sufficiency through economic literacy training and asset accumulation for one or more ''qualified expenses''.

OCS seeks to learn from the application why and how the project as proposed is expected to establish the creation of new opportunities for asset accumulation by eligible individuals and families that can lead to significant improvements in individual and family self-sufficiency through activities requiring one or more qualified expenses: for post-secondary education, home ownership, and/or qualified business capitalization.

Applicants are urged to design and present their project in terms of a conceptual cause-effect framework that makes clear the relationship between what the project plans to do and the results it expects to achieve.

Sub-Element II(a). Description of Target Population, Analysis of Need, and Project Assumptions (0–10 points)

In this sub-element of the proposal the applicant must precisely identify the target population(s) to be served. The geographic area to be impacted should then be briefly described, citing the percentage of residents who are low-income individuals and TANF recipients, as well as the unemployment rate, and other data that are relevant to the project design. Note: Both the poverty rate and unemployment rate of the target community(s) are needed to be set forth in the Application so that its eligibility for the legislative preference may be determined (see below).

The project design or plan should begin with identifying the underlying assumptions about the program. These are the beliefs on which the proposed program is built. They should begin with assumptions about the strengths and needs of the population(s) to be served; about how the accumulation of assets will enable project participants to build on those strengths in their quest to achieve self-sufficiency; and about what anticipated needs of the participants could be barriers to that achievement.

In other words, the underlying assumptions of the program are the applicant's analysis of the participant strengths and potential to be supported and their needs and problems to be addressed by the project, and the applicant's theory of how its proposed interventions will address those strengths and needs to achieve the desired result. Thus a strong application is based upon a clear description of the strengths, opportunities, needs and problems to be supported and addressed, and a persuasive understanding of the nature of the opportunities and causes of the problems.

The application should include a discussion of the identified personal barriers to employment, job retention and greater self-sufficiency faced by the population to be targeted by the project. (These might include such problems as illiteracy, substance abuse, family violence, lack of skills training, health or medical problems, need for childcare, lack of suitable clothing or equipment, or poor self-image.) The application should also include an analysis of the identified community systemic barriers which the applicant will seek to overcome. These might include lack of public transportation; lack of markets; unavailability of financing, insurance or bonding; inadequate social services (employment service, child care, job training); high incidence of crime; lack of housing; inadequate health care; or environmental hazards. Applicants should be sure not to overlook the personal and family services and support needed by project participants which will enhance job retention and advancement, so as to assure continued ability to save from earned income, and

which will also help to assure that benefits attainable through asset accumulation are not diverted by crises beyond the participants' control which would lead to emergency withdrawals. The applicant should thus be prepared to demonstrate that the proposed project activities will provide participants with realistic prospects for being able to overcome these barriers and make the investments needed to acquire the assets which are the goal of the IDA.

Where applicant is the lead agency for a group or consortium of organizations, this narrative should briefly summarize the location, character, and unemployment and poverty status of the different target populations. More detailed information for each of the participating organizations should be included in the Appendix to the Application.

Note: In accordance with the legislative preferences set forth in Part II Section J, above, the maximum score for this sub-Element in the review of applications under Priority Area 1.0 will only be given to applications which:

(1) demonstrate the willingness and ability of the applicant to select individuals for participation in the project who are predominantly from households in which a child (or children) is living with the child's biological or adoptive mother or father, or with the child's legal guardians. (Applications which target TANF eligible households will be deemed to have met this preference); and

(2) target individuals residing within one or more relatively well-defined neighborhoods or communities (including rural communities, public housing developments, Empowerment Zones and Enterprise Communities) that experience high rates of poverty or unemployment. (Applications which target residents of Empowerment Zones, Enterprise Communities, Public Housing, or CDFI Fund-designated Distressed Communities will be deemed to have met this preference.) (See Part II, Section J)

Each of these preferences will be valued at 2 points in the proposal review, so that the absence of one will reduce the review score for the sub-Element by 2 points; the absence of both will reduce the review score by 4 points.

In the case of a consortium of organizations operating programs funded through a lead agency, if a majority of the participating organizations meet these legislative preferences, the Application as a whole will be awarded these points.

It is suggested that applicants use no more than 5 pages for this Sub-Element, not including any more detailed information about separate target populations, which should be included in the Appendix.

Sub-Element II(b). Project Approach and Design: Interventions, Outcomes, and Goals (0–15 points)

The Application should outline a plan of action which describes the scope and detail of how the proposed activities will be undertaken. This Sub-Element should begin with a concise statement of the number of IDAs that are proposed to be established for each of the ''Qualified Expenses'' under the AFI Act, the projected monthly savings by IDA holders and the planned rate of matching contributions, and the projected savings goals of the participants. [It is recognized that these projections may be revised during the course of the project, based on actual experience of the participants.] The applicant should demonstrate that projected savings goals have a true relation to the ability of the Participant to save and to the value or cost of the ''Qualified Expense'' for which the IDA is to be used, be it housing, postsecondary education, or business capitalization.

Next, the Applicant should present a clear and straightforward description, from the point of view of the Project Participant, of just how the proposed IDA Project will operate. This description should take an eligible member of the target population through project activities from recruitment through the payment for the ''Qualified Expense'' (and beyond, if appropriate). It is suggested that the description generally follow the outline below, plus any additional activities that the Applicant proposes to undertake as part of its project:

(1) How/where does the potential participant learn information about the Project that will excite his/her interest? *(Recruitment)*

(2) Once interested, how, when, by whom, and on what basis is the recruit selected to participate in the project? *(Selection)*

(3) How and when and with what assistance (Case Management? Family Development?) does the new participant make decisions concerning the amount of weekly or monthly savings and the selection of ''Qualified Expense''? Or is this part of the Selection Process? *(Consultation)*

(4) When and where and with whom does the Participant reach agreement on and sign a ''Savings Plan Agreement''? [Include here a brief discussion of the provisions of the Agreement, or refer to a sample provided in the Appendix.] *(Savings Plan Agreement)*

(5) Where, when and how does the Participant actually open his/her IDA account with the Insured Financial Institution? Where is the Institution in relation to the Participant's home/place of work? How does the Participant get to the Institution? [Include here a brief discussion of the role of the Financial Institution in account management, data collection and reporting, and any other services it will provide, referring to copies of the agreement(s) with the Financial Institution(s) in the Appendix.] *(Opening of the IDA/Role of the Financial Institution)*

(6a) How and where will participant make savings deposits? In person? By mail? Through payroll deduction? *(Savings Deposits)*

(6b) What happens if a scheduled deposit is missed? Will the participant be sent a post card? Receive a supportive phone call? *(Delinquency)*

(7a) Where and when and from whom does the participant receive ''Economic Literacy'' or ''Budgeting'' training, and do childcare and transportation need to be provided? *(Training and Support)*

(7b) Where and when and from whom does participant receive Credit Repair Services if they are needed; and are there ways to escape from, or avoid Predatory Lenders? *(Credit Repair)*

(8a) Where and when and from whom does the participant receive needed support to remain on the job with opportunity for advancement (So as to assure continued savings from earned income)? *(Post Employment Support Services)*

(8b) Where and when and from whom does the participant receive emergency services so as to avoid having to make Emergency Withdrawals? *(Crisis Intervention)*

(9) Where and when and from whom does the participant receive ''Qualified Expenditure'' training related to home ownership, pursuit of educational goals, or business plan development and business management? *(Qualified Expenditure Support)*

(10) When the IDA savings/match goals have been achieved, where, when and how does the participant make or arrange withdrawals to support the ''Qualified Expenses''? *(Withdrawals)*

In this description the applicant should discuss all of the planned activities and interventions, including those supported by other available resources, and should explain the reasons for taking the approaches proposed. The description should give a clear picture of how the project as a whole will operate from day to day, including the recruiting, financial, program support, and data collection responsibilities of the applicant and any

partners in the project, and just how they will interact with the financial institutions and other participating agencies.

Where the Applicant is a lead agency for a group or consortium of organizations, the role of each must be clearly defined in this section of the application. In such cases Applicants should attach copies of signed Partnering Agreements with each of the member organizations setting forth the roles and responsibilities of each. (See Element I and PART II Section B.(3) above.)

Finally, and following the above description, the Applicant should explain how the proposed project activities will result in outcomes which will build on the strengths of the Program Participants and assist them to overcome the identified personal and systemic barriers to achieving self-sufficiency. In other words, what will the project staff do with the resources available to the project and how will what they do (interventions) assist project participants to accumulate assets in Individual Development Accounts and use those assets for ''Qualified Expenses'' in a manner that will help lead them to self-sufficiency?

It is suggested that applicants use no more than 9 pages for this Sub-Element, not including copies of agreements with financial institutions, partnering agencies or organizations, or sample ''Savings Plan Agreement'', which should be in an Appendix.

Sub-Element II(c). Financial Institution Agreement/Statement of Policy (0–10 points)

Note: In the case of applications submitted by eligible Credit Unions or Community Development Financial Institutions, where the Reserve Fund and IDA accounts are to be held by the applicant Institution itself, the applicant must submit, in lieu of a Financial Institution Agreement, a Statement of Policy, approved by its Board of Directors and attested to by its Chairperson and Chief Financial Officer, which sets forth the provisions listed under this Sub-Element, and which will be considered in like manner in the competitive review process. Where such applicants are proposing the establishment of Reserve Fund(s) or IDA's in other partnering Financial Institutions, they should submit as part of their applications copies Agreements with such Partnering Financial Institution(s) in accordance with this Sub-Element. It is suggested that applicants need not include discussion of these Agreements/Statements of Policy in their Proposal Narrative, but should only identify the Financial Institution(s) and reference the Agreement/Statement of Policy as included in an Appendix to the Application.

Applicants other than eligible Credit Unions or CDFI's must identify the Qualified Financial Institution(s) with which they are partnering in the development and implementation of its IDA Project, and all applicants must include in an Appendix a copy of a signed Agreement between the Applicant and the Financial Institution(s), or, in the case of eligible Credit Unions or CDFI's, a Statement of Policy, which sets forth:

(1) that the project's Reserve Fund will be established in the Financial Institution;

(2) that its management will conform to the requirements of the AFIA (see Part II–G(1) above);

(3) the rate of interest to be paid on amounts in the Reserve Fund;

(4) that IDA accounts will be established in the Financial Institution through written governing instruments in accordance with the requirements of Part II, Section G (4), paragraphs (a) through (g), above, including the requirements for deposits (by cash, check, money order or electronic transfer) and withdrawals (signature of the account holder and of a responsible official of the project grantee required);

(5) how, when, and where participant deposits will be made;

(6) how and when matching contributions will be made (e.g. in a parallel account);

(7) the rate and frequency of interest payments on accounts, including matching contributions;

(8) that the accounting procedures to be followed in account management will conform to the Guidelines established by the Secretary as set forth at CFR part 1000 published 65 FR 10027, Feb. 25, 2000:

(9) the data and reports that will be furnished to the grantee concerning the Reserve Fund and IDA accounts;

(10) the Non-Federal Share contribution, if any, being made by the Financial Institution for deposit in the Reserve Fund, and the schedule of deposits of such contribution; and

(11) other services to be provided by the Financial Institution(s) that could strengthen the project, such as Financial Education Seminars, favorable pricing on fees, out-stationing of services in community facilities, or assistance in recruitment of Project Participants.

Agreements/policies which meet the basic requirements of paragraphs (1) through (9), above will be awarded up to eight (8) points in the competitive review process. To be awarded a higher score Agreements/Statements of Policy must include some provisions from those included in paragraphs (10) and (11).

As noted above, the applicant need only identify the partnering Financial Institution(s) under this Sub-Element, and reference the Agreement(s) or Statement of Policy in the Appendix to the Application.

Sub-Element II(d). Work Plan, Projections, Time Lines (0–10 points)

Applicant should provide quantitative quarterly projections of the activities to be carried out and such information as the projected number of participants to be enrolled in each quarter, the number of Individual Development Accounts projected to be opened in each quarter for each of the ''Qualified Expenses'', the number and amount of projected deposits in each quarter, a projected schedule of IDA completions and qualified expense payments, and the number and types of services provided to participants. The plan should briefly describe the key project tasks, and show the timelines and major milestones for their implementation. Where the Applicant is a lead agency for a group or consortium of organizations, this information should be broken out for each of the member organizations. Applicant may be able to use a time line chart to convey this aspect of the work plan in minimal space.

Note: Applicants should make sure that these projections relate accurately to the amount of grant funds requested and rates of matching contributions that are planned for IDA's. In other words, applicants should not project a greater number of IDA accounts than that number that can be matched by the grant funds that will be available to the project. Applicants should also be aware that OCS funds awarded pursuant to this Announcement will be from FY 2001 funds and may not be expended after the end of the five-year Project/Budget Period to support administration of the project or matching contributions to Individual Development Accounts which may be open at that time. Consequently, Applicants should consider carefully the length of time participants will need to achieve their savings goals and at what point in the project they may wish to discontinue the opening of new accounts. Applicants should provide assurance that in every case provision will be made for payment of all promised matching deposits to IDA accounts opened by project participants in the course of the demonstration project.

This Element of the Proposal should also include a management plan or chart showing the responsibilities of the applicant agency, key personnel, and all partnering agencies and consortium members (where applicable), with an indication of who will be performing various tasks such as recruiting, training, economic education instruction, and support activities. (This

plan or chart should be included in the Appendix to the Application.)

It is suggested that applicants use no more than 3 pages for this Sub-Element, not counting the management plan/chart, which should be included in the Appendix.

Evaluation Criteria 3: Budget and Budget Justification

Element III. Appropriateness of Budget and Proposed Use of Cash and In-Kind Resources (0–5 points)

Criteria: Completeness of the Budget Justification, and the degree to which a description of the allocation of both cash and in-kind resources available to the project (including any income generated for the project by the Reserve Fund) demonstrates a thoughtful plan that reflects the needs of Project Participants and the responsive activities and interventions to be undertaken by the Applicant and its partners.

Every application must include a Budget Justification, placed after the Budget Forms SF 424 and 424A, explaining the sources and uses of project funds, and completed in accordance with instructions found in Section G, above. The Budget Justification will not be counted as part of the Project Description subject to the thirty page limitation. Applicant should briefly but thoroughly describe how all of the resources available to the Project will be employed to carry out the Work Plan described in Element II, including those training elements and support services designed to help assure participant success in meeting their savings commitments and their chosen ''qualified expense'' use of their Individual Development Account assets. In the budget forms and supporting Budget Justification, Applicants must clearly distinguish between AFI Act/OCS grant funds and other funds, and between cash and in-kind resources described.

As noted above, the Budget Justification will not be counted as part of the Project Description subject to the thirty page limitation.

Evaluation Criteria 4: Approach II

Element IV. Project Data: Adequacy of Plan for Collecting, Validating and Providing Project-related Data for Management Information, Reporting, and Evaluation Purposes. (0–5 points)

Criteria: Adequacy of the plan for collecting, validating and providing relevant, accurate and complete data for internal management information, statutory reporting and project evaluation purposes; and clear expression of a commitment to cooperate with the statutorily mandated evaluation of the national Assets for Independence Demonstration Program.

Note: Under the AFI Act project grantees are required to use at least 2%—but not more than 15%—of grant funds to provide the research organization evaluating the demonstration project with such information with respect to the demonstration project as may be required for the evaluation.

The AFI Act allocates a portion of the appropriated funds to support an evaluation of the overall demonstration program in addition to the funds grantees are required to expend on data collection. This Element requires the Applicant to provide a well thought-out plan for collecting, validating and reporting or providing the necessary data in a timely fashion. The Applicant is also encouraged to identify the kinds of data it believes would facilitate the management information, reporting, and evaluation purposes. The Applicant should also declare its agreement to cooperate with the evaluation of the national program, and include a brief explanation of its perception of what that cooperation would entail. Applicants are urged to carry out an ongoing assessment of the data and information collected as an effective ''process'' management/feedback tool in implementing the project. If the Applicant anticipates such an undertaking, the plans should be briefly outlined here.

Note: To attain a maximum score for this Element, the Applicant must state its agreement to use the ''MIS IDA'' information system software developed by the Center for Social Development, or a comparable and compatible Asset Development Information System, now in development, which OCS expects to provide to grantees for the maintenance, collection, and transmission of data from the proposed project.

It is suggested that applicants use no more than 2 pages for this Element.

Evaluation Criteria 5: Non-Federal Resources

Element V. Commitment of Resources. (Total of 0–15 points)

Sub-Element V(a). Proportion of Public/Private Required Non-Federal Matching Contributions. (0–2 points)

Criterion: Whether a proportionately greater amount of committed required non-Federal matching contribution funds are from private sector as opposed to public sources.

In accordance with the legislative preferences set forth in Part III Section J Preferences, above, applications which provide a commitment of *required non-Federal cash matching contributions* with a proportionately greater amount of such funds committed from private sector as opposed to public sources will receive 2 points under this Element.

Applicants are reminded that as noted in Part II Section I Non-Federal Matching Funds Requirements, where the Applicant is itself providing any of the required cash non-Federal share, it must include in the Appendix a statement of commitment, on applicant letterhead, signed by the official signing the SF 424 and countersigned by the Applicant's Board Chairperson or Treasurer, that the non-Federal matching funds will be provided, contingent only on the OCS grant award, and that non-Federal share deposits and the opening of Individual Development Accounts will be coordinated so that new accounts will only be opened when there are sufficient funds in the Reserve Fund to cover the maximum matching requirements of the Savings Plan Agreements.

Sub-Element V(b). Availability of Additional Resources. (0–13 points)

Criterion: The extent to which additional resources (beyond the required amount of direct funds from non-federal public sector and from private sources that are formally committed to the project as matching contributions) will be available to support those activities and interventions identified in sub-Element II(b), such as economic literacy classes, ''qualified expense''-related training, counseling, case management, post-employment support services, and crisis intervention.

As noted below in Part IV, Paragraph D Initial OCS Screening, the only applications which will be considered for competitive review are those which include written documentation of a commitment, contingent only on award of the OCS grant, from the provider(s) of non-Federal share, in cash as distinguished from in-kind, of at least the amount of the total Federal grant requested.

OCS has determined that the strict legislative limitations on the use of Federal grant funds and of the minimum required non-Federal match (at least 85% of each must go toward matching deposits in Individual Development Accounts) mean that important training, counseling and support activities, critical to the success of a project, can best be supported by additional resources, both of the applicant itself and from the community.

In order to receive points in the review process under this sub-Element, the applicant must identify those

additional resources, cash and in-kind, which will be dedicated to support of those activities and interventions identified in sub-Element II(b), such as economic literacy classes, training, counseling, case management, post-employment support services, and crisis intervention; and any staff data collection/verification activities described in Element III. Such resources may be existing programs of the applicant or a project partner, such as Family Development, Economic Literacy classes, or Small Business Training, in which Project Participants will be enrolled as part of their efforts to achieve self-sufficiency. This Element will be judged in the review process on the adequacy of the available resources to support the activities and interventions described in sub-Element II(b). The commitment of such resources to the project must be documented in writing and submitted as an Appendix to the Application. Because such additional resources are not part of the legislatively mandated non-Federal matching requirement, these additional resources may be of Federal or non-Federal origin, public or private, in cash or in-kind. Applicants are reminded that they will be held accountable for commitments of such additional resources even if over the amount of the required match.

It is suggested that no more than 3 pages be used for this Element, not including non-Federal Share Agreements, assurances, letters of commitment, partnership agreements, or Memoranda of Understanding, which should be put in an Appendix to the proposal.

Evaluation Criteria 6: Results or Benefits Expected

Element VI. Significant and Beneficial Impacts/Critical Issues or Potential Problems (0–10 points)

Criteria: The extent to which proposed project is expected to produce permanent and measurable results that will reduce the incidence of poverty in the community and lead TANF eligible households and other eligible individuals and working families toward economic self-sufficiency through economic literacy education and accumulation of assets; and the extent to which applicant convincingly explains how the project will meet any critical issues or potential problems in achieving these results.

Applicants should set forth their realistic goals and projections for attainment of these and other beneficial impacts of the proposed project and should demonstrate that projected savings goals have a true relationship to the ability of the participant to save the projected amounts and to the value or cost of the ''Qualified Expense'' for which the IDA is to be used.

Results are expected to be quantifiable in terms of the number of Individual Development Accounts opened, their rate of growth, the number and size of withdrawals for each of the three ''Qualified Expenses'', and the impact of the payment of those expenses on the participants' movement toward self-sufficiency.

Applicants should also in this Element explicitly address critical issues or potential problems that might affect the achievement of project objectives, with an explanation of how they would be overcome, and how the objectives will be achieved notwithstanding any such problems.

It is suggested that no more than 3 pages be used for this Element.

Part IV. Application Procedures

A. Application Development/ Availability of Forms

In order to be considered for a grant under this program announcement, an application must conform to the Program Requirements set out in Part II and be prepared in accordance with the guidelines set out in Part III, above. It must be submitted on the forms supplied in the attachments to this Announcement and in the manner prescribed below. Attachments A through I contain all of the standard forms necessary for the application for awards under this OCS program. These attachments and Parts IV and V of this Announcement contain all the instructions required for submittal of applications.

Additional copies may be obtained by writing or telephoning the office listed under the section entitled **FOR FURTHER INFORMATION CONTACT:** at the beginning of this announcement. In addition, this Announcement is accessible on the Internet through the OCS WEBSITE for reading or downloading at: http://www.acf.dhhs.gov/programs/ocs/ under ''Funding Opportunities''.

The applicant must be aware that in signing and submitting the application for this award, it is certifying that it will comply with the Federal requirements concerning the drug-free workplace, the Certification Regarding Environmental Tobacco Smoke, and debarment regulations set forth in Attachments G, H, and I.

Part III contains instructions for the substance and development of the project narrative. Part V contains instructions for completing application forms. Part VI, Section A describes the contents and format of the application as a whole.

B. Application Submission

(1) *Number of copies required.* One signed original application and two copies should be submitted at the time of initial submission. (OMB 0976–0139). Two additional optional copies would be appreciated to facilitate the processing of applications.

(2) *Deadline.* Mailed applications shall be considered as meeting the announced deadline of June 12, 2001 if they are either received on or before the deadline date or postmarked on or before the deadline date and received by ACF in time for the independent review. Mailed applications must be sent to: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Grants Management, Office of Child Support Enforcement, ''Attention: IDA Program'', 370 L'Enfant Promenade, SW., Washington, DC 20447.

Applications submitted via overnight/ express delivery services should be addressed to the Administration for Children and Families, Office of Grants Management, Office of Child Support Enforcement, ''Attention IDA Program'', 901 D Street SW, Fourth Floor, Washington, DC 20024.

Applicants must ensure that a legibly dated U.S. Postal Service postmark, or a legibly dated machine produced postmark of a commercial mail service, or an official dated receipt of an overnight/express delivery service, is affixed to the envelope/package containing the application(s). To be acceptable as proof of timely mailing, a postmark from a commercial mail service or receipt from an overnight/ express delivery service company must include the logo/emblem of the company and must reflect the date the package was received by the company from the applicant. *Private Metered postmarks shall not be acceptable as proof of timely mailing.*

Applications handcarried by applicants, applicant couriers, or by other representatives of the applicant shall be considered as meeting an announced deadline if they are received on or before the deadline date, between the hours of 8:00 a.m. and 4:30 p.m., EST, at the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Grants Management, Office of Child Support Enforcement, Mailroom, 2nd Floor (near loading dock), Aerospace Center, 901 D Street, SW, Washington, DC 20024, between Monday and Friday (excluding Federal holidays). The address must

appear on the envelope/package containing the application with the note ''Attention: IDA Program''.

ACF cannot accommodate transmission of applications by fax or through other electronic media. Therefore, applications transmitted to ACF electronically will not be accepted regardless of date or time of submission and time of receipt.

(3) *Late applications.* Applications which do not meet the criteria above are considered late applications. ACF shall notify each late applicant that its application will not be considered in the current competition.

(4) *Extension of deadlines.* ACF may extend an application deadline for applicants affected by acts of God such as floods and hurricanes, or when there is widespread disruption of the mails. A determinations to waive or extend deadline requirements rest with ACF's Chief Grants Management Officer.

C. Intergovernmental Review

This program is covered under Executive Order 12372, ''Intergovernmental Review of Federal Programs,'' and 45 CFR Part 100, ''Intergovernmental Review of Department of Health and Human Services Program and Activities.'' Under the Order, States may design their own processes for reviewing and commenting on proposed Federal assistance under covered programs.

*All States and Territories except Alabama, Alaska, Arizona, Colorado, Connecticut, Hawaii, Idaho, Indiana, Kansas, Louisiana, Massachusetts, Minnesota, Montana, Nebraska, New Jersey, New York, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Vermont, Virginia, Washington, Wyoming, American Samoa and Palau have elected to participate in the Executive Order process and have established Single Points of Contact (SPOCs). Applicants from these twenty-eight jurisdictions need take no action regarding E.O. 12372. Applicants for projects to be administered by Federally-recognized Indian Tribes are also exempt from the requirements of E.O. 12372. Otherwise, applicants should contact their SPOCs as soon as possible to alert them of the prospective applications and receive any necessary instructions. Applicants must submit any required material to the SPOCs as soon as possible so that the program office can obtain and review SPOC comments as part of the award process. It is imperative that the applicant submit all required materials, if any, to the SPOC and indicate the date of this submittal (or indicate ''not applicable'' if no submittal is required) on the Standard Form 424, item 16a.

Under 45 CFR 100.8(a)(2), a SPOC has 60 days from the application deadline to comment on proposed new or competing continuation awards.

SPOCs are encouraged to eliminate the submission of routine endorsements as official recommendations.

Additionally, SPOCs are requested to clearly differentiate between mere advisory comments and those official State process recommendations which may trigger the ''accommodate or explain'' rule.

When comments are submitted directly to ACF, they should be addressed to: Department of Health and Human Services, Administration for Children and Families, OCSE Office of Grants Management, 370 L'Enfant Promenade, S.W., 4th floor East, Washington, D.C. 20447.

A list of the Single Points of Contact for each State and Territory is included as Attachment J to this Announcement.

D. Initial OCS Screening

Each application submitted under this program announcement will undergo a pre-review to determine that the application was postmarked by the closing date and submitted in accordance with the instructions in this announcement.

All applications that meet the published deadline requirements as provided in this Program Announcement will be screened for completeness and conformity with the following requirements. Only complete applications that meet the requirements listed below will be reviewed and evaluated competitively. Other applications will be returned to the applicants with a notation that they were unacceptable and will not be reviewed.

The following requirements must be met by all Applicants except as noted:

(1) The application must contain a signed Standard Form 424 ''Application for Federal Assistance'' (SF–424), a budget (SF–424A), and signed ''Assurances'' (SF 424B) completed according to instructions published in Part V and Attachments A, B, and C of this Program Announcement. The SF–424 and the SF–424B must be signed by an official of the organization applying for the grant who has authority to obligate the organization legally. Applicants must also be aware that the applicant's legal name as required on the SF–424 (Item 5) must match that listed as corresponding to the Employer Identification Number (Item 6).

(2) A project narrative must also accompany the standard forms. OCS requires that the narrative portion of the application be limited to 30 letter-size pages, numbered, and typewritten on one side of the paper only with one-inch margins and type face no smaller than 12 characters per inch (c.p.i.) or equivalent. Applications with project narratives (excluding Project Summaries and appendices) of more than 30 letter-sized pages of 12 c.p.i. type or equivalent on a single side will not be reviewed for funding. The Joint Applicant Agreement (where applicable), non-Federal share agreement, Budget Narrative, Charts, exhibits, resumes, position descriptions, letters of support or commitment, Agreements with Financial Institutions and other partnering organizations, and Business Plans (where required) are not counted against this page limit, and should be in the Appendix. It is Strongly Recommended That Applicants Follow the Format and Content for the Narrative Described in the Program Elements Set Out in Part III.

(3) Application must contain documentation of the applicant's (or joint applicant's) tax exempt status as required under Part II, Section A.

(4) Application must include a copy of a ''Non-Federal Share Agreement'' or Agreements in writing executed with the entity or entities providing the required non-Federal matching contributions, signed by a person authorized to make a commitment on behalf of the entity and signed for the Applicant by the person signing the SF424. Such Agreement(s) must include: (1) A commitment by the organization to provide the non-Federal funds contingent only on the grant award; and (2) an agreement as to the schedule of the opening of Individual Development Accounts by the Applicant, and the schedule of deposits by the organization to the project's Reserve Fund, such that the two schedules will together assure that there will be at all times in the Reserve Fund non-Federal matching contribution funds sufficient to meet the maximum pledges of matching contributions under the ''Savings Plan Agreements'' for all Individual Development Accounts then open and being maintained by the grantee as part of the demonstration project.

Where Applicants (or Joint Applicants) themselves are providing non-Federal share funding, then with regard to those funds the application should include an assurance, written on the Applicant's letterhead, signed by the person signing the SF424, and countersigned by the board Chairperson or Treasurer, that the required non-Federal share funds will be provided

and that deposits and the opening of Individual Development Accounts will be coordinated so that new accounts will only be opened when there are sufficient funds in the Reserve Fund to cover the maximum matching requirements of the Savings Plan Agreements. (See Part II, Section I.)

Applicants are strongly encouraged to mobilize additional resources, which may be cash or in-kind contributions, Federal or non-Federal, for support of project administration and assistance to Project Participants in obtaining skills, knowledge, and needed support services. [See PART III–I Element V(b)]

(5) All Applications other than those submitted by eligible Credit Unions or CDFI's must include a copy of an Agreement between the Applicant and one or more Qualified Financial Institutions, which includes the provisions set out in PART III, Element II(c), which states that the accounting procedures to be followed in account management will conform to Guidelines (45 CFR Part 74) established by the Secretary, and under which the partnering financial institution will agree to provide data and reports as requested by the applicant. [Note: the Accounting Guidelines may be found at 65 FR 10027, Feb. 25, 2000.]

E. Consideration of Applications

Applications which pass the initial OCS screening will be reviewed and rated by an independent review panel on the basis of the specific review criteria described and discussed in Part III, above. Applications will be reviewed and rated under the Program Elements and Review Criteria set forth in PART III Section I. The review criteria were designed to assess the quality of a proposed project, and to determine the likelihood of its success. The review criteria are closely related and are considered as a whole in judging the overall quality of an application. Points are awarded only to applications which are responsive to the review criteria and program elements within the context of this Program Announcement. The results of these reviews will assist the Director and OCS program staff in considering competing applications. Reviewers' scores will weigh heavily in funding decisions, but will not be the only factors considered.

Applications generally will be considered in order of the average scores assigned by reviewers. However, highly ranked applications are not guaranteed funding since other factors are taken into consideration, including, but not limited to, the timely and proper completion by applicant of projects funded with OCS funds granted in the last five (5) years; comments of reviewers and government officials; staff evaluation and input; the amount and duration of the grant requested and the proposed project's consistency and harmony with OCS goals and policy; geographic distribution of applications; previous program performance of applicants; compliance with grant terms under previous HHS grants, including the actual dedication to program of mobilized resources as set forth in project applications; audit reports; investigative reports; and applicant's progress in resolving any final audit disallowances on previous OCS or other Federal agency grants.

Since non-Federal reviewers will be used for review of applications, Applicants may omit from the application copies which will be made available to the non-Federal reviewers, the specific salary rates or amounts for individuals identified in the application budget. Rather, only summary information is required. OCS reserves the right to discuss applications with other Federal or non-Federal funding sources to verify the applicant's performance record and the documents submitted.

F. Reconsideration

After Federal fund are exhausted for this grant competition, OCS may decide to reconsider applications which have been independently reviewed and ranked but have no final disposition (neither approved nor disapproved). Reconsideration may occur at any time funds become available within twelve (12) months following ranking. If a competition involving applications with no final disposition should occur, applications will be reviewed by independent reviewers in a new competition and ranked according to the new score. Applicants that will be reconsidered for possible funding will be afforded an opportunity to request reviewer comments from the prior competition, and can revise and reapply under the new competition. In this instance, the previous application will be discarded and the new application will be considered.

Part V. Instructions for Completing Application Forms

The standard forms attached to this announcement shall be used to apply for funds under this program announcement.

It is suggested that you reproduce single-sided copies of the SF–424 and SF–424A, and type your application on the copies. Please prepare your application in accordance with instructions provided on the forms (Attachments A and B) as modified by the instructions set forth in PART III G., above, and the OCS specific instructions set forth below:

Provide line item detail and detailed calculations for each budget object class identified on the Budget Information form. Detailed calculations must include estimation methods, quantities, unit costs, and other similar quantitative detail sufficient for the calculation to be duplicated. The detailed budget must also include a breakout by the funding sources identified in Block 15 of the SF–424.

Provide a narrative budget justification which describes how the categorical costs are derived. Discuss the necessity, reasonableness, and allocability of the proposed costs. (Note: The Budget detail and Narrative Budget Justification should follow the SF 424 and 424A, and are not counted as part of the Project Narrative.)

A. SF–424—Application for Federal Assistance (Attachment A)

Top of Page

Where the applicant is a previous Department of Health and Human Services grantee, enter the Central Registry System Employee Identification Number (CRS/EIN) and the Payment Identifying Number, if one has been assigned, in the Block entitled Federal Identifier located at the top right hand corner of the form (third line from the top).

Item 1. For the purposes of this announcement, all projects are considered Applications; there are no Pre-Applications.

Item 7. If applicant is a State, enter ''A'' in the box. If applicant is an Indian Tribe enter ''K'' in the box. If applicant is a non-profit organization enter ''N'' in the box.

Item 9. Name of Federal Agency—Enter DHHS–ACF/OCS.

Item 10. The Catalog of Federal Domestic Assistance number for OCS programs covered under this announcement is 93.602. The title is ''Assets for Independence Demonstration Program (IDA Program)''.

Item 11. In addition to a brief descriptive title of the project, indicate the priority area for which funds are being requested. Use the following letter designations: I—Individual projects under Priority Area 1.0

Item 13. Proposed Project—The project start date must begin on or before September 30, 2001; the ending date should be calculated on the basis of 60-month Project Period.

Item 15a. This amount should be no greater than $1,000,000 for applications under Priority Area 1.0.

Item 15b–e. These items should reflect both cash and third-party, in-kind contributions for the Project Period (60 months).

B. SF–424A—Budget Information—Non-Construction Programs (Attachment B)

In completing these sections, the Federal Funds budget entries will relate to the requested OCS funds only, and Non-Federal will include mobilized funds from all other sources—applicant, state, local, and other. Federal funds other than requested OCS funding should be included in *Non-Federal* entries. Sections A, B, and C of SF–424A should reflect budget estimates for each year of the Project Period.

Section A—Budget Summary

You need only fill in lines 1 and 5 (with the same amounts)

Col. (a): Enter ''IDA Program'' as Item number 1. (Items 2, 3, 4, and 5 should be left blank.)

Col. (b): Catalog of Federal Domestic Assistance number is 93.602. Col. (c) and (d): not relevant to this program.

Column (e)–(g): enter the appropriate amounts in items 1. and 5. (Totals) Column e should not be more than $1,000,000 for applications under Priority Area 1.0, and in no case can it be more than the committed non-Federal matching cash contribution.

Section B—Budget Categories

(Note that the following information supersedes the instructions provided with the Form in Attachment C)

Columns (1)–(5): For each of the relevant Object Class Categories:

Column 1: Enter the OCS grant funds for the full 5-year budget period. With regard to Class Categories, no less than eighty-five percent (85%) of OCS grant funds should be entered in ''h. Other'', representing the funds to be deposited in the Reserve Fund and which will be used to match participant contributions in IDA's. The balance of up to fifteen percent (15%) of OCS grant funds should be allocated to Object Class Categories in accordance with the instructions found in PART III Section G of this Announcement.

Columns 2, 3 and 4 are not relevant to this program.

Column 5: Enter not less than 85% of OCS grant funds for the five year budget by Class Categories under ''other'', showing a total of not more than $1,000,000.

Section C—Non Federal Resources

This section is to record the amounts of ''non-Federal'' resources that will be used to support the project, including both the required cash non-Federal ''matching contributions'' share, and the ''additional resources'' which will bring additional support to the project, which may be cash or in-kind, non-Federal or Federal. In this context, ''Non-Federal'' resources mean any and all resources other than the OCS funds for which the applicant is applying. Therefore, mobilized funds from other Federal programs, such as the Job Training Partnership Act program or the Welfare-to-Work program, should be entered on these lines. Provide a brief listing of these ''non-Federal'' resources on a separate sheet and describe whether it is a grantee cost or a third-party cash or in-kind contribution. The firm commitment of these resources must be documented and submitted with the application in order to be given credit in the review process under the Non-Federal Resources program element.

Note: Even though non-Federal resources mobilized may go beyond the amount required as match under the IDA Program, grantees will be held accountable for any such cash or in-kind contribution proposed or pledged as part of an approved application where the use of such funds falls within a Program Element/Proposal Review Criterion which formed the basis for the grant award. [See Part II, Section I. and Part III, Element V(b).]

Sections D, E, and F may be left blank by Applicants under Priority Area 1.0. As noted in Part VI, a supporting Budget Justification must be submitted providing details of expenditures under each budget category, with justification of dollar amounts which relate the proposed expenditures to the work program and goals of the project.

C. SF–424B Assurances: Non-Construction Programs

Applicants requesting financial assistance for a non-construction project must file the Standard Form 424B, ''Assurances: Non-Construction Programs.'' (Attachment C) Applicants must sign and return the Standard Form 424B with their applications. Applicants must provide a certification concerning Lobbying. Prior to receiving an award in excess of $100,000, applicants shall furnish an executed copy of the lobbying certification. (See Attachments D and E) Applicants must sign and return the certification with their applications. Applicants should note that the Lobbying Disclosure Act of 1995 has simplified the lobbying information required to be disclosed under 31 U.S.C. 1352.

Applicants must make the appropriate certification on their compliance with the Drug-Free Workplace Act of 1988 and the Pro-Children Act of 1994 (Certification Regarding Smoke Free Environment). (See Attachments G and H) By signing and submitting the applications, applicants are attesting to their intent to comply with these requirements and need not mail back the certification with the applications.

Applicants must make the appropriate certification that they are not presently debarred, suspended or otherwise ineligible for award. (See Attachment I) By signing and submitting the applications, applicants are providing the certification and need not mail back the certification with the applications. Copies of the certifications and assurances are located at the end of this announcement.

Part VI. Contents of Application and Receipt Process

Application pages should be numbered sequentially throughout the application package, beginning with a Summary/Abstract of the proposed project as page number one; and each application must include all of the following, in the order listed below:

A. Content and Order of IDA Program Application

1. A Project Summary/Abstract—brief, not to exceed one page, on the Applicant's letterhead (that will not be counted as a part of the Project Narrative/Description) and that includes the following information:

—A brief identification of the geographic area to be served, indicating poverty and unemployment rates, and the specific population to be targeted by the project;
—The amount of the grant requested;
—The name of partnering financial institution(s) and collaborating organizations (if applicable);
—The amount of required non-Federal match committed;
—The number of IDA accounts projected to be opened in the course of the Demonstration Project;
—The proposed rate of matching contributions, and the types and numbers of ''Qualified Expenses'' expected to be achieved by participants; and
—A brief narrative description of the project indicating any of its innovative aspects.

2. Table of Contents;

3. A completed Standard Form 424 (Attachment A) which has been signed by an official of the organization applying for the grant who has authority to obligate the organization legally; [Note: The original SF–424 must bear the original signature of the authorizing representative of the applicant organization];

4. A completed Budget Information-Non-Construction Programs (SF–424A) (Attachment B);

5. A Budget Justification, including narrative budget justification for each object class category included under Section B, as described in PART III, Program Element III;

6. Proof of current tax-exempt status of Applicant or Joint Applicant (See Part II B.);

7. *A project narrative,* limited to the number of pages specified below, which includes all of the required elements described in Part III. [Specific information/data required under each component is described in Part III Section I, Evaluation Criteria.]

8. *Appendices,* which should include the following:

(a) (Where Application is submitted by a State or Local government agency or Tribal government jointly with a tax exempt non-profit organization) a properly executed *Joint Application Agreement* as described in PART II B.(2), above;

(b) Filled out, signed and dated *Assurances—Non-Construction Programs* (SF–424B), (Attachment C);

(c) *Restrictions on Lobbying—Certification for Contracts, Grants, Loans, and Cooperative Agreements:* filled out, signed and dated form found at Attachment D;

(d) *Disclosure of Lobbying Activities, SF–LLL:* Filled out, signed and dated form found at Attachment E, if appropriate (omit Items 11–15 on the SF LLL and ignore references to continuation sheet SF–LLL–A)

(e) *Maintenance of Effort Certification* (See Attachment F);

(f) Signed *Agreement(s)* with partnering Financial Institution(s) (or Statements of Policy in the case of Credit Union or CDFI applicants) including identification of insurance carrier and current insurance number (see Part III. Program Sub-Element II(c));

(g) Signed *Agreements with providers of required non-Federal matching contributions* (See PART II, Section I.)

(h) Resumes and/or position descriptions (see Part III Program Element I);

(i) (Where Applicant is ''lead agency'' of a collaborative or consortium of organizations) Copies of *Partnering Agreements between the Applicant and each of the partnering members,* setting forth their roles and responsibilities. (See Part III, Elements I and II(b))

(j) Any letters and/or supporting documents from collaborating or partnering agencies in target communities, providing additional information on staffing and experience in support of narrative under Part III Element I. [Such documents are not part of the Narrative and should be included in the Appendices. These documents are therefore not counted against the page limitations of the Narrative.]; and

(k) Single points of contact comments, if applicable.

Applications must be uniform in composition since OCS may find it necessary to duplicate them for review purposes. Therefore, applications must be submitted on white 8–1/2 × 11 inch paper only (See Part IV D. (2), above, concerning margins, type size, etc). They must not include colored, oversized or folded materials. Do not include organizational brochures or other promotional materials, slides, films, clips, etc. in the proposal. They will be discarded if included. The applications should be two-hole punched at the top center and fastened separately with a compressor slide paper fastener, or a binder clip. The submission of bound plans, or plans enclosed in binders is specifically discouraged.

B. Acknowledgment of Receipt

Acknowledgment of Receipt—All applicants will receive an acknowledgment with an assigned identification number. Applicants are requested to supply a self-addressed mailing label with their Application, or a FAX number or e-mail address which can be used for acknowledgment. The assigned identification number, along with any other identifying codes, must be referenced in all subsequent communications concerning the Application. If an acknowledgment is not received within three weeks after the deadline date, please notify ACF by telephone at (202) 401–5307.

Part VII. Post Award Information and Reporting Requirements

A. Notification of Grant Award

Following approval of the applications selected for funding, notice of project approval and authority to draw down project funds will be made in writing. The official award document is the Financial Assistance Award which provides the amount of Federal funds approved for use in the project, the project and budget period for which support is provided, the terms and conditions of the award, and the total project period for which support is contemplated.

B. Attendance at Technical Assistance and Evaluation Workshops/Conferences

OCS hopes to sponsor one or more national evaluation workshops in Washington, DC or in other locations during the course of the five-year project. Project Directors will be expected to attend such workshops provided additional funds can be made available by OCS for expenses of attending.

C. Reporting Requirements

Grantees will be required to submit a semi-annual program progress and financial report (SF 269) covering the six months after grant award, and similar reports after conclusion of the first Project Year. Such reports will be due 60 days after the reporting period. Thereafter grantees will be required to submit annual program progress and financial reports (SF 269), as well as a final program progress and financial report within 90 days of the expiration of the grant.

D. Audit Requirements

Grantees are subject to the audit requirements in 45 CFR Part 74 (non-profit organizations) or Part 92 (governmental entities) which require audits under OMB Circular A–133.

E. Prohibitions and Requirements with Regard to Lobbying

Section 319 of Public Law 101–121, signed into law on October 23, 1989, imposes prohibitions and requirements for disclosure and certification related to lobbying on recipients of Federal contracts, grants, cooperative agreements, and loans. It provides limited exemptions for Indian tribes and tribal organizations. Current and prospective recipients (and their subtier contractors and/or grantees) are prohibited from using appropriated funds for lobbying Congress or any Federal agency in connection with the award of a contract, grant, cooperative agreement or loan. In addition, for each award action in excess of $100,000 (or $150,000 for loans) the law requires recipients and their subtier contractors and/or subgrantees (1) to certify that they have neither used nor will use any appropriated funds for payment to lobbyists, (2) to submit a declaration setting forth whether payments to lobbyists have been or will be made out of non-appropriated funds and, if so, the name, address, payment details, and purpose of any agreements with such lobbyists whom recipients or their subtier contractors or subgrantees will pay with the non-appropriated funds and (3) to file quarterly up-dates about the use of lobbyists if an event occurs that materially affects the accuracy of the information submitted by way of declaration and certification.

The law establishes civil penalties for noncompliance and is effective with

respect to contracts, grants, cooperative agreements and loans entered into or made on or after December 23, 1989. See Attachment H, for certification and disclosure forms to be submitted with the applications for this program.

F. Applicable Federal Regulations

Attachment K indicates the regulations which apply to all applicants/grantees under the Assets for Independence Demonstration Program.

Dated: February 14, 2001.

Robert Mott,

Acting Director, Office of Community Services.

BILLING CODE 4184–01–P

Attachment A

OMB Approval No. 0348-0043

APPLICATION FOR FEDERAL ASSISTANCE

		2. DATE SUBMITTED	Applicant Identifier
1. TYPE OF SUBMISSION: Application ☐ **Construction** ☐ **Non-Construction**	Preapplication ☐ **Construction** ☐ **Non-Construction**	**3. DATE RECEIVED BY STATE**	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name:	Organizational Unit:
Address *(give city, county, State, and zip code)*:	Name and telephone number of person to be contacted on matters involving this application *(give area code)*

6. EMPLOYER IDENTIFICATION NUMBER *(EIN)*:

☐☐ – ☐☐☐☐☐☐☐

7. TYPE OF APPLICANT: *(enter appropriate letter in box)* ☐

A. State
B. County
C. Municipal
D. Township
E. Interstate
F. Intermunicipal
G. Special District
H. Independent School Dist.
I. State Controlled Institution of Higher Learning
J. Private University
K. Indian Tribe
L. Individual
M. Profit Organization
N. Other (Specify) _____

8. TYPE OF APPLICATION:

☐ **New** ☐ **Continuation** ☐ **Revision**

If Revision, enter appropriate letter(s) in box(es) ☐ ☐

A. Increase Award B. Decrease Award C. Increase Duration
D. Decrease Duration Other*(specify)*:

_____

9. NAME OF FEDERAL AGENCY:

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:

☐☐ – ☐☐☐

TITLE:

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:

12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.)*:

13. PROPOSED PROJECT		**14. CONGRESSIONAL DISTRICTS OF:**	
Start Date	Ending Date	a. Applicant	b. Project

15. ESTIMATED FUNDING:

a. Federal	$ .00
b. Applicant	$ .00
c. State	$ .00
d. Local	$ .00
e. Other	$ .00
f. Program Income	$ .00
g. TOTAL	$ .00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:

DATE _____

b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372
☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ **Yes** **If "Yes," attach an explanation.** ☐ **No**

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Type Name of Authorized Representative	b. Title	c. Telephone Number
d. Signature of Authorized Representative		e. Date Signed

Previous Edition Usable
Authorized for Local Reproduction

Standard Form 424 (Rev. 7-97)
Prescribed by OMB Circular A-102

Attachment A

Instructions for the SF–424

Public reporting burden for this collection of information is estimated to average 45 minutes 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. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348–0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item and Entry

1. Self-explanatory.
2. Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).
3. State use only (if applicable).
4. If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.
5. Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.
6. Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.
7. Enter the appropriate letter in the space provided.
8. Check appropriate box and enter appropriate letter(s) in the space(s) provided:
—''New'' means a new assistance award.
—''Continuation'' means an extension for an additional funding/budget period for a project with a projected completion date.
—''Revision'' means any change in the Federal Government's financial obligation or contingent liability from an existing obligation.
9. Name of Federal agency from which assistance is being requested with this application.
10. Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.
11. Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.
12. List only the largest political entities affected (e.g., State, counties, cities).
13. Self-explanatory.
14. List the applicant's Congressional District and any District(s) affected by the program or project.
15. Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate *only* the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.
16. Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.
17. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
18. To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign its application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

Attachment B

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$
2.						
3.						
4.						
5. Totals		$	$	$	$	$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total
	(1)	(2)	(3)	(4)	(5)
a. Personnel	$	$	$	$	$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges *(sum of 6a-6h)*					
j. Indirect Charges					
k. TOTALS *(sum of 6i and 6j)*	$	$	$	$	$
7. Program Income	$	$	$	$	$

Authorized for Local Reproduction

Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

Previous Edition Usable

Attachment B, Page 2

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$
9.				
10.				
11.				
12. TOTAL *(sum of lines 8-11)*	$	$	$	$

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$	$	$	$	$
14. Non-Federal					
15. TOTAL *(sum of lines 13 and 14)*	$	$	$	$	$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$	$	$	$

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

Authorized for Local Reproduction

Standard Form 424A (Rev. 7-97) Page

BILLING CODE 4184–01–C

Attachment B

Instructions for the SF–424A

Public reporting burden for this collection of information is estimated to average 180 minutes 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. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348–0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories show in Lines a-k of Section B.

Section A. Budget Summary Lines 1–4 Columns (a) and (b)

For applications pertaining to a single Federal grant program (Federal Domestic Assistance Catalog number) and ? a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a single program requiring budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in Column (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to multiple programs where one or more programs require a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1–4, Columns (c) through (g).

For new applications, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant programs applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts show in Columns (e) and (f). The amount(s) in column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5—Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1–4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a–i—Show the totals of Lines 6a to 6h in each column.

Line 6j—Show the amount of indirect cost.

Line 6k—Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)–(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7—Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-federal Resources

Lines 8–11—Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a)—Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b)—Enter the contribution to the made by the applicant.

Column (c)—Enter the amount of the State's crash and in-kind contribution if the applicant is not a State of State agency. Applicants which are a State of State agencies should leave this column blank.

Column (d)—Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e)—Enter totals of Columns (b)9, (c), and (d).

Line 12—enter the total for each of columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13—Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14—Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15—Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16–19—Enter in column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Lines 20—Enter the total for each of the Columns (b)–(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21—Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22—Enter the type of indirect rate (provisional predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the are is applied, and the total indirect expense.

Line 23—provide any other explanations or comments deemed necessary.

Attachment C

Assurances—Non-Construction Programs

Public reporting burden for this collection of information is estimated to average 15 minutes 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. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348–0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

Note: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728–4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88–352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681–1683, and 1685–1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101–6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92–255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91–616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd–3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Title II and III of the Uniformm Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91–646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions, of the Hatch Act (5 U.S.C. §§ 1501–1508 and 7324–7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276a–7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327–333), regarding labor standards for federally-assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93–234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91–190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11783; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93–523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93–205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469a–1 et seq.).

14. Will comply with P.L. 93–348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89–544, as amended, 7 U.S.C. §§ 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1966 and OMB Circular No. A–133, ''Auditis of States, Local Governments, and Non-Profit Organizations.''

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

Signature of Authorized Certifying Official

Title

Applicant Organization

Date Submitted

Attachment D

Certification Regarding Lobbying

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to infuence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form–LLL, ''Disclosure Form to Report Lobbying,'' in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed with this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form–LLL, ''Disclosure Form to Report Lobbying,'' in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature

Title

Organization

BILLING CODE 4184–01–P

DISCLOSURE OF LOBBYING ACTIVITIES

Attachment E

Approved by OMB 0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
☐ a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	☐ a. bid/offer/application b. initial award c. post-award	☐ a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:
☐ Prime ☐ Subawardee Tier _____, *if known*: **Congressional District**, *if known*:	 **Congressional District**, *if known*:
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*:	**9. Award Amount**, *if known*: $
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*):	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less that $10,000 and not more than $100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____
Federal Use Only:	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

BILLING CODE 4184–01–C

Attachment E

Instructions for Completion of SF–LLL, Disclosure of Lobbying Activities

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example,

Department of Transportation, United States Coast Guard.

7. Enter the Federal program name of description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., ''RFP–DE–09–001.''

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. the valid OMB control number for this information collection is OMB No. 0348–0046. Public reporting burden for this collection of information is estimated to average 10 minutes 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. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348–0046), Washington, DC 20503.

Certification Regarding Maintenance Of Effort

In accordance with the applicable program statute(s) and regulation(s), the undersigned certifies that financial assistance provided by the Administration for Children and Families, for the specified activities to be performed under the _____ Program by _____ (Applicant Organization), will be in addition to, and not in substitution for, comparable activities previously carried on without Federal assistance.

_____
Signature of Authorized Certifying Official

_____
Title

_____
Date

Attachment G

Certification Regarding Drug-Free Workplace Requirements

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE–WIDE AND STATE AGENCY–WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517–D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. For grantees other than individuals, Alternate I applies.

4. For grantees who are individuals, Alternate II applies.

5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules.:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contender) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance.

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about—

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such

conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted—

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant. [55 FR 21690, 21702, May 25, 1990]

Attachment H

Certification Regarding Environmental Tobacco Smoke

Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1994, requires that smoking not be permitted in any portion of any indoor routinely owned or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 per day and/or the imposition of an administrative compliance order on the responsible entity. By signing and submitting this application the applicant/grantee certifies that it will comply with the requirements of the Act.

The applicant/grantee further agrees that it will require the language of this certification be included in any subawards which contain provisions for the children's services and that all subgrantees shall certify accordingly.

Attachment I

Certification Regarding Debarment, Suspension and Other Responsibility Matters

Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions

Instruction for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled ''Certification Regarding Deparment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction,'' provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 49 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery,

falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will included this clause titled ''Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction,'' without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transactions that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transactions with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion—Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2). Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Attachment J

Office of Management and Budget

It is estimated that in 2001 the Federal Government will outlay $305.6 billion in grants to State and local governments. Executive Order 12372, ''Intergovernmental Review of Federal Programs,'' was issued with the desire to foster the intergovernmental partnership and strengthen federalism by relying on State and local processes for the coordination and review of proposed Federal financial assistance and direct Federal development. The Order allows each State to designate an entity to perform this function. Below is the official list of those entities. For those States that have a home page for their designated entity, a direct link has been provided below. States that are not listed on this page have chosen not to participate in the intergovernmental review process, and therefore do not have a SPOC. If you are located within one of these States, you may still send application materials directly to a Federal awarding agency.

Arkansas

Tracy L. Copeland, Manager, State Clearinghouse, Office of Intergovernmental Services, Department of Finance and Administration, 1515 W. 7th St., Room 412, Little Rock, Arkansas 72203, Telephone: (501) 682–1074, Fax: (501) 682–5206, tlcopeland@dfa.state.ar.us

California

Grants Coordination, State Clearinghouse, Office of Planning and Research, P.O. Box 3044, Room 222, Sacramento, California 95812–3044, Telephone: (916) 445–0613, Fax: (916) 323–3018, state.clearinghouse@opr.ca.gov

Delaware

Charles H. Hopkins, Executive Department, Office of the Budget, 540 S. Dupont Highway, 3rd Floor, Dover, Delaware 19901, Telephone: (302) 739–3323, Fax: (302) 739–5661, chopkins@state.de.us

District of Columbia

Ron Seldon, Office of Grants Management and Development, 717 14th Street, NW, Suite 1200, Washington, DC 20005, Telephone: (202) 727–1705, Fax: (202 727–1617, ogmd-ogmd@dcgov.org

Florida

Cherie L. Trainor, Florida State Clearinghouse, Department of Community Affairs, 2555 Shumard Oak Blvd., Tallahassee, Florida 32399–2100, Telephone: (805) 922–5438, (850) 414–5495 (direct), Fax: (850) 414–0479, cherie.trainor@dca.state.fl.us

Georgia

Georgia State Clearinghouse, 270 Washington Street, SW, Atlanta, Georgia 30334, Telephone: (404) 656–3855, Fax: (404) 656–7901, gach@mail.opb.state.ga.us

Illinois

Virginia Bova, Department of Commerce, and Community Affairs, James R. Thompson Center, 100 West Randolph, Suite 3–400, Chicago, Illinois 60601, Telephone: (312) 814–6028, Fax: (312) 814–8485, vbova@commerce.state.il.us

Iowa

Steven R. McCann, Division of Community and Rural Development, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309, Telephone: (515) 242–4719, Fax: (515) 242–4809, steve.mccann@ided.state.ia.us

Kentucky

Ron Cook, Department for Local Government, 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky 40601, Telephone: (502) 573–2382, Fax: (502) 573–2512, ron.cook@mail.state.ky.us

Maine

Joyce Benson, State Planning Office, 184 State Street, 38 State House Station, Augusta, Maine 04333, Telephone: (207)

287–3261, (207) 287–1461 (direct), Fax: (207) 287–6489, joyce.benson@state.me.us

Maryland

Linda Janey, Manager, Clearinghouse and Plan Review Unit, Maryland Office of Planning, 301 West Preston Street—Room 1104, Baltimore, Maryland 21201–2305, Telephone: (410) 767–4490, Fax: (410) 767–4480, linda@mail.op.state.md.us

Michigan

Richard Pfaff, Southeast Michigan Council of Governments, 660 Plaza Drive—Suite 1900, Detroit, Michigan 48226, Telephone: (313) 961–4266, Fax: (313) 961–4869, pfaff@semcog.org

Mississippi

Cathy Mallette, Clearinghouse Officer, Department of Finance and Administration, 550 High Street, 303 Walters Sillers Building, Jackson, Mississippi 39201–3087, Telephone: (601) 359–6762, Fax: (601) 359–6758

Missouri

Lois Pohl, Federal Assistance Clearinghouse, Office of Administration, P.O. Box 809, Jefferson Building, Room 915, Jefferson City, Missouri 65102, Telephone: (573) 751–4834, Fax: (573) 522–4395, pohll_@mail.oa.state.mo.us

Nevada

Heather Elliott, Department of Administration, State Clearinghouse, 209 E. Musser Street, Room 200, Carson City, Nevada 89701, Telephone: (775) 684–0209, Fax: (775) 684–0260, helliott@govmail.state.nv.us

New Hampshire

Jeffrey H. Taylor, Director, New Hampshire Office of State Planning, Attn: Intergovernmental Review Process, Mike Blake, 2½ Beacon Street, Concord, New Hampshire 03301, Telephone: (603) 271–2155, Fax: (603) 271–1728, jtaylor@osp.state.nh.us

New Mexico

Ken Hughes, Local Government Division, Room 201 Bataan Memorial Building, Santa Fe, New Mexico 87503, Telephone: (505) 827–4370, Fax: (505) 827–4948, khughes@dfa.state.nm.us

North Carolina

Jeanette Furney, Department of Administration, 1302 Mail Service Center, Raleigh, North Carolina 27699–1302, Telephone: (919) 807–2323, Fax: (919) 733–9571, jeanette.furney@ncmail.net

North Dakota

Jim Boyd, Division of Community Services, 600 East Boulevard Ave., Dept 105, Bismarck, North Dakota 58505–0170, Telephone: (701) 328–2094, Fax: (701) 328–2308, jboyd@state.nd.us

Rhode Island

Kevin Nelson, Department of Administration, Statewide Planning Program, One Capitol Hill, Providence, Rhode Island 02908–5870, Telephone: (401) 222–2093, Fax: (402) 222–2083, knelson@doa.state.ri.us

South Carolina

Omeagia Burgess, Budget and Control Board, Office of State Budget, 1122 Ladies Street, 12th Floor, Columbia, South Carolina 29201, Telephone: (803) 734–0494, Fax: (803) 734–0645, aburgess@budget.state.sc.us

Texas

Denise S. Francis, Director, State Grants Team, Governor's Office of Budget and Planning, P.O. Box 12428, Austin, Texas 78711, Telephone: (512) 305–9415, Fax: (512) 93–2681, dfrancis@governor.state.tx.us

Utah

Carolyn Wright, Utah State Clearinghouse, Governor's Office of Planning and Budget, State Capitol, Room 114, Salt Lake City, Utah 84114, Telephone: (801) 538–1535, Fax: (801) 538–1547, cwright@gov.state.ut.us

West Virginia

Fred Cutlip, Director, Community Development Division, West Virginia Development Office, Building #6, Room 553, Charleston, West Virginia 25305, Telephone: (304) 558–4010, Fax: (304) 558–3248, fcutlip@wvdo.org

Wisconsin

Jeff Smith, Section Chief, Federal/State Relations, Wisconsin Department of Administration, 101 East Wilson Street—6th Floor, P.O. Box 7868, Madison, Wisconsin 53707, Telephone: (608) 266–0267, Fax: (608) 267–6931, jeffrey.smith@doa.state.wi.us

Guam

Director, Bureau of Budget and Management Research, Office of the Governor, P.O. Box 2950, Agana, Guam 96910, Telephone: 011–671–472–2285, Fax: 011–472–2825, jer@ns.gov.gu

Puerto Rico

Jose Caballero/Mayra Silva, Puerto Rico Planning Board, Federal Proposals Review Office, Minillas Government Center, P.O. Box 41119, San Juan, Puerto Rico 00940–1119, Telephone: (787) 723–6190, Fax: (787) 722–6783

North Mariana Islands

Ms. Jacoba T. Seman, Federal Programs Coordinator, Office of Management and Budget, Office of the Governor, Saipan, MP 96950, Telephone: (670) 664–2289, Fax: (670) 664–2272, omb.jseman@saipan.com

Virgin Islands

Ira Mills, Director, Office of Management and Budget, #41 Norre Gade Emancipation Garden Station, Second Floor, Saint Thomas, Virgin Islands 00802, Telephone: (340) 744–0750, Fax: (340) 776–0069, lrmills@usvi.org

Changes to this list can be made only after OMB is notified by a State's officially designated representative. E-mail messages can be sent to *grants@omb.ceop.gov*. If you prefer, you may send correspondence to the following postal address: Attn: Grants Management, Office of Management and Budget, New Executive Office Building, Suite 6025, 725 17th Street, NW, Washington, DC 20503.

Attachment K

DHHS Regulations Applying to All Applicants/Grantees Under the Assets for Independence DEMONSTRATION Program (IDA Program)

Title 45 of the Code of Federal Regulations

Part 16—Department of Grant Appeals Process
Part 74—Administration of Grants (grants with subgrants to entities)
Part 75—Informal Grant Appeal Procedures
Part 76—Debarment and Suspension from Eligibility for Financial Assistance
Subpart F—Drug Free Workplace Requirements
Part 80—Non-Discrimination Under Programs Receiving Federal Assistance through the Department of Health and Human Services Effectuation of Title VI of the Civil Rights Act of 1964
Part 81—Practice and Procedures for Hearings Under Part 80 of this Title
Part 83—Regulation for the Administration and Enforcement of Sections 799A and 845 of the Public Health Service Act
Part 84—Non-discrimination on the Basis of Handicap in Programs and Activities Receiving Federal Financial Assistance
Part 85—Enforcement of Non-Discrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Health and Human Services
Part 86—Nondiscrimination on the Basis of Sex in Education Programs and Activities Receiving or Benefiting from Financial Assistance
Part 91—Non-discrimination on the Basis of Age in Health and Human Services Programs or Activities Receiving Federal Financial Assistance
Part 92—Uniform Administrative Requirements for Grants and Cooperative Agreements to and Local Governments (Federal Register, March 11, 1988)
Part 93—New Restrictions on Lobbying Part 100—Intergovernmental Review of Department of Health and Human Services Programs and Activities

Attachment L

Note: Attachment L can be found at 65 FR 10027, Feb. 25, 2000.

Attachment M

2001 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

Size of family unit	Poverty guide-line	200%
1	$8,590	$17,180
2	11,610	23,220
3	14,630	29,260
4	17,650	35,300
5	20,670	41,340
6	23,690	47,380
7	26,710	53,420

2001 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA—Continued

Size of family unit	Poverty guide-line	200%
8	29,730	59,460

For family units with more than 8 members, add $3,020 for each additional member. (For 200% add $6,040 for each additional member.)

2001 POVERTY GUIDELINES FOR ALASKA

Size of family unit	Poverty guide-line	200%
1	$10,730	$21,460
2	14,510	29,202
3	18,290	36,580
4	22,070	44,140
5	25,850	51,700
6	29,630	59,260
7	33,410	66,820
8	37,190	74,380

For family units with more than 8 members, add $3,780 for each additional member. (For 200% add $7,560 for each additional member.)

2001 POVERTY GUIDELINES FOR HAWAII

Size of family unit	Poverty guide-line	200%
1	$9,890	$19,780
2	13,360	26,720
3	16,830	33,660
4	20,300	40,600
5	23,770	47,540
6	27,240	54,480
7	30,710	61,420
8	34,180	68,360

For family units with more than 8 members, add $3,470 for each additional member. (For 200% add $6,940 for each additional member.)

[FR Doc. 01–4242 Filed 2–26–01; 8:45 am]

BILLING CODE 4184–01–P

Reader Aids

Federal Register

Vol. 66, No. 39

Tuesday, February 27, 2001

CUSTOMER SERVICE AND INFORMATION

Federal Register/Code of Federal Regulations

General Information, indexes and other finding aids	**202–523–5227**
Laws	**523–5227**
Presidential Documents	
Executive orders and proclamations	**523–5227**
The United States Government Manual	**523–5227**
Other Services	
Electronic and on-line services (voice)	**523–4534**
Privacy Act Compilation	**523–3187**
Public Laws Update Service (numbers, dates, etc.)	**523–6641**
TTY for the deaf-and-hard-of-hearing	**523–5229**

ELECTRONIC RESEARCH

World Wide Web

Full text of the daily Federal Register, CFR and other publications:

http://www.access.gpo.gov/nara

Federal Register information and research tools, including Public Inspection List, indexes, and links to GPO Access:

http://www.nara.gov/fedreg

E-mail

PENS (Public Law Electronic Notification Service) is an E-mail service for notification of recently enacted Public Laws. To subscribe, send E-mail to

listserv@listserv.gsa.gov

with the text message:

subscribe PUBLAWS-L your name

Use listserv@www.gsa.gov only to subscribe or unsubscribe to PENS. We cannot respond to specific inquiries.

Reference questions. Send questions and comments about the Federal Register system to:

info@fedreg.nara.gov

The Federal Register staff cannot interpret specific documents or regulations.

FEDERAL REGISTER PAGES AND DATE, FEBRUARY

8501–8742 1
8743–8884 2
8885–9026 5
9027–9186 6
9187–9508 7
9509–9640 8
9641–9762 9
9763–9906 12
9907–10182 13
10183–10352 14
10353–10568 15
10569–10810 16
10811–10950 20
10951–11100 21
11101–11228 22
11229–11526 23
11527–12434 26
00000–00000 27

CFR PARTS AFFECTED DURING FEBRUARY

At the end of each month, the Office of the Federal Register publishes separately a List of CFR Sections Affected (LSA), which lists parts and sections affected by documents published since the revision date of each title.

3 CFR

Proclamations:
7404 9025
7405 9639
7406 9759
7407 9761

Executive Orders:
12800 (See EO 13201) 11221
12818 (See EO 13202) 11225
12836 (Revoked by EO 13202) 11225
12871 (Revoked by EO 13203) 11227
12933 (Revoked by EO 13204) 11228
12983 (See EO 13203) 11227
13035 (Amended by EO 13200) 10183
13092 (See EO 13200) 10183
13113 (See EO 13200) 10183
13156 (See EO 13203) 11227
13182 10057
13200 10183
13201 11221
13202 11225
13203 11227
13204 11228

Administrative Orders:

Memorandums:
Memorandum of June 5, 1997 (Revoked by EO 13202) 11225
Memorandum of October 5, 1999 (Revoked by EO 13203) 11227

Presidential Determinations:
No. 2001-10 of January 17, 2001 8501
No. 2001-11 of January 19, 2001 8502

5 CFR

537 9187
731 11100
3101 8505

7 CFR

246 8885
271 8885
272 8886
273 8886
278 8885
770 8886
1446 10353
1823 8886
1902 8886
1951 8886
1956 8886

8 CFR

212 8743

9 CFR

2 8743
3 8744
93 ..... 8887, 11101
94 9641

Proposed Rules:
301 00000
303 00000
317 00000
318 00000
319 00000
320 00000
325 00000
331 00000
381 00000
417 00000
430 00000

10 CFR

72 ..... 10569, 11527, 00000
430 ..... 8744, 8745, 11635
431 8745
490 8746
719 8746
830 8746
1040 8747
1042 8747
1044 8747

Proposed Rules:
51 10834
72 ..... 9055, 00000
73 10839
76 10839
95 10839

12 CFR

30 8616
201 9907
208 ..... 8616, 8748
211 8616
220 11101
225 8616
263 8616
308 ..... 8616, 9187
364 8616
568 8616
570 8616
709 11229
1501 8748

Proposed Rules:
3 10212
208 10212
225 ..... 10212, 00000
325 10212
611 10638
618 10638

620 10638
712 11125
749 11239
1501 00000

13 CFR

108 10811

Proposed Rule

121 10842

14 CFR

25 11527
39 ....8507, 8750, 8752, 8754, 8756, 8759, 9027, 9029, 9031, 9635, 9908, 10185, 10187, 10353, 10355, 10356, 10359, 10360, 10361, 10570, 10571, 10951, 10953, 10955, 10957, 10960, 10962, 10963, 11103, 11105
71 ....9903, 9909, 9911, 9912, 9913, 10190, 10811, 10812, 11230, 11529, 11530, 11531
95 9914
97 ....9915, 9917, 9919, 9921, 9923, 11532, 11534
405 9509
406 9509

Proposed Rules:

39 ....9779, 10226, 10230, 10232, 10234, 10236, 10238, 10241, 10243, 10378, 10380, 10382, 10384, 10387, 10390, 10393, 10842, 10844, 10846, 10849, 10851, 10853, 10855, 10857, 10858, 10970, 10972, 10974, 10976, 11126, 00000
71 ....8772, 8773, 9986, 9987, 9989, 9990, 10860, 10861
413 ....9635, 10979
415 ....9635, 10979
417 ....9635, 10979

15 CFR

101 11231

16 CFR

2 8721
801 8680
802 8680
803 8680

Proposed Rules:

801 8723
802 8723
1500 10863

17 CFR

200 11536
201 8761
230 ....8887, 9002
232 8764
239 9002
270 ....8509, 9002
274 9002

Proposed Rules:

228 8732
229 8732
240 ....8732, 8912
249 ....8732, 8912
250 9247
259 9247
450 11548

18 CFR

33 11536
352 ....10573, 11537
357 ....10573, 11537
385 ....10573, 11537

Proposed Rules:

284 10980

19 CFR

10 ....8765, 9643
12 8765
19 8765
103 8765
111 8765
112 8765
143 8765
146 8765
163 9643
178 ....8765, 9643
191 ....8765, 9647

Proposed Rules:

24 ....8554, 9681
101 8554

20 CFR

401 9763
402 9763
403 9763
404 8768
645 9763
655 ....10813, 10814
656 10814

Proposed Rules:

655 10865
656 10865

21 CFR

179 10574
314 10815
520 9650
601 10815

22 CFR

41 10363
42 10363
126 10575

23 CFR

655 9196
940 9196

24 CFR

903 8897

Proposed Rules:

320 12428
330 12428

25 CFR

103 8898
115 8768
151 ....8899, 10815

26 CFR

1 ....9034, 9651, 9925, 10190, 10191
26 11108
31 10191
301 ....9957, 10191, 10364
602 ....9925, 10191

Proposed Rules:

1 ....8614, 9535, 10247, 10396, 10642, 10981, 00000
20 10396
25 10396
26 10396
31 ....8614, 10247
35 8614
36 8614
40 ....8614, 10649
54 10981
301 ....8614, 9535, 9991, 10247, 10249
601 8614
602 9535

27 CFR

9 ....11537, 11540
170 8768

Proposed Rules:

9 8925

29 CFR

4022 10365
4044 10365

30 CFR

218 11512
256 11512
260 11512
936 10403
938 10405
944 10866

Proposed Rules:

Ch. II 11241

31 CFR

1 9959
210 10578

32 CFR

199 ....9199, 9651, 10367

33 CFR

95 9658
100 ....9658, 9659, 10581
117 ....9199, 9201, 9659, 9660, 10581, 10816, 10817, 10965, 11108, 11233
165 10581
177 9658
323 10367

Proposed Rules:

117 ....9779, 11127
164 11241
401 9752
402 9752

34 CFR

300 8770
361 8770
606 8519

36 CFR

242 ....10142, 10582
294 8899

Proposed Rules:

242 10162

38 CFR

Proposed Rules:

3 11549

39 CFR

111 9509

Proposed Rules:

111 10868
551 10408
3000 11242

40 CFR

31 9661
35 ....9202, 9661
52 ....9203, 9206, 9209, 9522, 9661, 9764, 9766, 9769
60 9034
63 ....11233, 11543
81 9663
131 9960
141 9903
180 ....9770, 10196, 10817, 10826, 11110
232 10367
300 ....10367, 10371
372 10585
721 92110
735 9202

Proposed Rules:

52 ....9263, 9264, 9278, 9285, 9535, 9781
63 11550
148 10060
261 ....9781, 9992, 10060
268 10060
271 10060
300 ....10411, 10412
302 10060
420 10253
438 9058
721 11243
1610 8926

41 CFR

301 00000

42 CFR

400 11546
411 8771
424 8771
430 11546
431 ....11546, 11547
433 11547
434 11546
435 ....11546, 11547
436 11547
438 11546
440 11546
447 11546
457 11547

Proposed Rules:

36 ....10182, 11100

43 CFR

3100 9527
3106 9527
3108 9527
3130 9527
3160 9527

Proposed Rules:

3000 10000
3100 10000
3200 10000
3400 10000
3500 10000
3600 10000
3800 10000

44 CFR

64 10586
65 ....10588, 10590, 10592
67 10596

Proposed Rules:

67 10652

45 CFR

2525 9773

46 CFR

10 9673

15 9673
67 9673
160 12434
164 12434
Proposed Rules:
25 11241
27 11241

47 CFR

Ch. I 10965
1 ....10601, 11113
2 ....9212, 10601, 11113
20 10967
21 9962
24 ....9773, 10967
25 ....9973, 10601
27 ....9035, 10374
51 ....8519, 9035
52 ....9528, 9674, 11236
64 9674
73 ....8520, 9036, 9037, 9038, 9039, 9675, 9676, 9962, 9973, 10204, 10631, 10968, 11117, 11118, 11119, 11237
76 9962
79 8521
87 11113
90 ....8899, 10632, 00000
95 9212
101 11113
Proposed Rules:
1 10413
20 ....9798, 10413, 10570
22 ....9798, 10570
32 9681
43 ....9681, 10413
51 ....8556, 9058
52 9535
73 ....8557, 8558, 8559, 8560, 9061, 9062, 9682, 9683, 10001, 10265, 10266, 10267, 10657, 10658, 10982, 11130, 00000
90 10659
100 8774

48 CFR

931 8746
970 8746
Proposed Rules:
904 8560
952 8560
970 8560

49 CFR

37 ....9048, 10968
40 9673
171 8644
172 8644
173 8644
176 8644
195 9532
213 9676
229 9906
231 9906
232 9906
390 9677
571 ....9533, 9673
595 00000
611 9677
1002 10830

50 CFR

17 ....8530, 8650, 8850, 9146, 9219, 9233, 9414
86 9533
100 10142
600 10208
622 11237
635 8903
648 ....8904, 9678, 9778, 00000
660 ....10208, 11119, 11120
679 ....9679, 9680, 10636, 10637, 10969, 11123
697 89806
Proposed Rules:
17 ....9476, 9540, 9683, 9806, 10419, 10441, 10471, 11131, 11132. 11133, 11134, 11244, 00000
100 10162
223 9808
224 10983
600 00000
622 ....8567, 9813, 10267
648 ....8560, 9814, 10983
660 9285

REMINDERS

The items in this list were editorially compiled as an aid to Federal Register users. Inclusion or exclusion from this list has no legal significance.

RULES GOING INTO EFFECT FEBRUARY 27, 2001

AGRICULTURE DEPARTMENT

Food and Nutrition Service

Child nutrition programs:

Women, infants, and children; special supplement nutrition program—

Vendor management systems; mandatory selection criteria, limitation of vendors, training requirements, high-risk vendors identification criteria, etc.; published 12-29-00

HEALTH AND HUMAN SERVICES DEPARTMENT

Food and Drug Administration

Human drugs and biological products:

Postmarketing studies; status reports; published 10-30-00

HEALTH AND HUMAN SERVICES DEPARTMENT

Health Care Financing Administration

Medicare:

Outpatient diabetes self-management training services; expanded coverage; published 12-29-00

COMMENTS DUE NEXT WEEK

AGRICULTURE DEPARTMENT

Agricultural Marketing Service

Cherries (tart) grown in—

Michigan et al.; comments due by 3-5-01; published 1-3-01

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

Attorney misconduct, witness sequestration, and exclusion of counsel; comments due by 3-7-01; published 2-5-01

COMMERCE DEPARTMENT

National Oceanic and Atmospheric Administration

Endangered and threatened species:

Steelhead; one evolutionarily significant unit in California and Oregon; comments due by 3-5-01; published 2-12-01

Fishery conservation and management:

Northeastern United States fisheries—

Northeast multispecies and Atlantic sea scallop; comments due by 3-5-01; published 2-1-01

Marine mammals:

Commercial fishing authorizations—

Fisheries categorized according to frequency of incidental takes; 2001 list; comments due by 3-8-01; published 1-22-01

DEFENSE DEPARTMENT

Privacy Act; implementation

National Reconnaissance Office; comments due by 3-9-01; published 1-8-01

DEFENSE DEPARTMENT

Engineers Corps

Navigation regulations:

St. Marys Falls Canal and Soo Locks, MI; administration and navigation; comments due by 3-9-01; published 1-23-01

ENERGY DEPARTMENT

Acquisition regulations:

Conditional payment of fee, profit, and other incentives; comments due by 3-5-01; published 2-1-01

ENVIRONMENTAL PROTECTION AGENCY

Air quality implementation plans; approval and promulgation; various States:

Delaware; comments due by 3-9-01; published 2-7-01

Illinois; comments due by 3-9-01; published 2-7-01

Michigan; comments due by 3-9-01; published 2-7-01

New Hampshire; comments due by 3-9-01; published 2-7-01

Texas; comments due by 3-9-01; published 2-7-01

Hazardous waste:

Project XL program; site-specific projects—

Autoliv ASP Inc. facility, Promontory, UT; comments due by 3-6-01; published 2-13-01

Water pollution control:

National Pollution Discharge Elimination System—

South Dakota; sludge management (biosolids) program modification application; comments due by 3-5-01; published 1-18-01

FEDERAL COMMUNICATIONS COMMISSION

Common carrier services:

Agency competitive bidding authority; comments due by 3-5-01; published 1-2-01

Interconnection—

Unbundled network elements use to provide exchange access service; comments due by 3-5-01; published 2-1-01

Satellite communications—

Direct broadcast satellite service; non-conforming use of spectrum; comments due by 3-5-01; published 2-2-01

Radio stations; table of assignments:

California; comments due by 3-5-01; published 1-24-01

Georgia; comments due by 3-5-01; published 1-24-01

Ohio and Pennsylvania; comments due by 3-5-01; published 1-26-01

FEDERAL RESERVE SYSTEM

Home mortgage disclosure (Regulation C):

Miscellaneous amendments; staff interpretation; comments due by 3-9-01; published 12-15-00

Truth in lending (Regulation Z):

Home-equity lending market abusive lending practices; additional disclosure requirements and substantive limitations for certain loans; comments due by 3-9-01; published 12-26-00

HEALTH AND HUMAN SERVICES DEPARTMENT

Health Care Financing Administration

Medicare and Medicaid:

Physicians' referrals to health care entities with which they have financial relationships; comments due by 3-5-01; published 1-4-01

HOUSING AND URBAN DEVELOPMENT DEPARTMENT

Public and Indian housing:

Public housing total development cost; comments due by 3-5-01; published 1-4-01

INTERIOR DEPARTMENT

Minerals Management Service

Outer Continental Shelf; oil, gas, and sulphur operations:

Surety bonds for leases; requirements; comments due by 3-9-01; published 1-8-01

INTERIOR DEPARTMENT

National Park Service

Special regulations:

Rocky Mountain National Park; snowmobile routes elimination; comments due by 3-6-01; published 1-5-01

INTERIOR DEPARTMENT

Surface Mining Reclamation and Enforcement Office

Permanent program and abandoned mine land reclamation plan submissions:

Utah; comments due by 3-7-01; published 2-20-01

JUSTICE DEPARTMENT

Immigration and Naturalization Service

Immigration:

Aliens—

Transit Without Visa Program; countries whose citizens or nationals are ineligible to participate; list; comments due by 3-6-01; published 1-5-01

Transit Without Visa Program; countries whose citizens or nationals are ineligible to participate; determination criteria; comments due by 3-6-01; published 1-5-01

RAILROAD RETIREMENT BOARD

Organization, functions, and authority delegations:

Use of agency's seal; comments due by 3-5-01; published 1-3-01

SMALL BUSINESS ADMINISTRATION

Small business size standards:

Nonmanufacturer rule; waivers—

Aerospace ball and roller bearings; comments due by 3-5-01; published 2-20-01

SOCIAL SECURITY ADMINISTRATION

Social security benefits and supplemental security income:

Federal old age, survivors, and disability insurance, and aged, blind, and disabled—
Administrative law judges; scheduling video teleconference hearings; comments due by 3-6-01; published 1-5-01

STATE DEPARTMENT
Visas; nonimmigrant documentation:
Aliens ineligible to transit without visas; new list of countries; comments due by 3-6-01; published 1-5-01

TRANSPORTATION DEPARTMENT
Coast Guard
Drawbridge operations:
Connecticut; comments due by 3-9-01; published 1-8-01
Electrical engineering:
Marine shipboard electrical cable standards; incorporation by reference; comments due by 3-9-01; published 1-8-01
Uninspected vessels:
Towing vessels; fire suppression systems and voyage planning; comments due by 3-8-01; published 11-8-00

TRANSPORTATION DEPARTMENT
Americans with Disabilities Act; implementation:
Accessibility guidelines—
Over-the-road buses; comments due by 3-8-01; published 2-6-01

TRANSPORTATION DEPARTMENT
Federal Aviation Administration
Airworthiness directives:
Boeing; comments due by 3-9-01; published 1-23-01
Empresa Brasileira de Aeronautica S.A. (EMBRAER); comments due by 3-5-01; published 2-2-01
Israel Aircraft Industries, Ltd.; comments due by 3-5-01; published 2-2-01
McDonnell Douglas; comments due by 3-5-01; published 1-2-01
Class E airspace; comments due by 3-5-01; published 2-2-01

TRANSPORTATION DEPARTMENT
Federal Railroad Administration
Railroad locomotive safety standards; locomotive cab sanitation standards; comments due by 3-5-01; published 1-2-01

TRANSPORTATION DEPARTMENT
National Highway Traffic Safety Administration
Motor vehicle safety standards:
Head restraints for passenger cars and light multipurpose vehicles, trucks, and buses; comments due by 3-5-01; published 1-4-01

TREASURY DEPARTMENT
Internal Revenue Service
Employment taxes and collection of income taxes at source:
Federal employment tax deposits; de minimis rule; comments due by 3-6-01; published 12-6-00
Income taxes:
Defined benefit pension plan; excess assets transfer to retiree health account; minimum cost requirement; hearing; comments due by 3-6-01; published 1-5-01
Space and ocean activities and communication; sources of income; hearing; comments due by 3-7-01; published 1-17-01

LIST OF PUBLIC LAWS

This is the first in a continuing list of public bills from the current session of Congress which have become Federal laws. It may be used in conjunction with ''P L U S'' (Public Laws Update Service) on 202–523–6641. This list is also available online at http://www.nara.gov/fedreg.

The text of laws is not published in the **Federal Register** but may be ordered in ''slip law'' (individual pamphlet) form from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (phone, 202–512–1808). The text will also be made available on the Internet from GPO Access at http://www.access.gpo.gov/nara/index.html. Some laws may not yet be available.

H.J. Res. 7/P.L. 107–1

Recognizing the 90th birthday of Ronald Reagan. (Feb. 15, 2001; 115 Stat. 3)

Public Laws Electronic Notification Service (PENS)

PENS is a free electronic mail notification service of newly enacted public laws. To subscribe, go to http://hydra.gsa.gov/archives/publaws-l.html or send E-mail to **listserv@listserv.gsa.gov** with the following text message:

SUBSCRIBE PUBLAWS-L Your Name.

Note: This service is strictly for E-mail notification of new laws. The text of laws is not available through this service. **PENS** cannot respond to specific inquiries sent to this address.