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9:00 a.m.–Noon

WHERE: Office of the Federal Register
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800 North Capitol Street, NW.
Washington, DC 20002

RESERVATIONS: (202) 741-6008



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DEPARTMENT OF AGRICULTURE

Farm Service Agency

7 CFR Part 762

RIN 0560-AH07

Guaranteed Loans—Retaining PLP Status and Payment of Interest Accrued During Bankruptcy and Redemption Rights Periods

AGENCY: Farm Service Agency, USDA.

ACTION: Final rule.

SUMMARY: The Farm Service Agency (FSA) is amending its regulations pertaining to the retention of Preferred Lender Program (PLP) status by lenders in certain situations, and the payment of interest in cases where the lender is unable to take action due to bankruptcy or state redemption laws. This rule will allow PLP lenders, under certain conditions, to retain their PLP status for a period, not to exceed two years, after their loss ratio exceeds the standard established by the Agency. It will also allow for the payment of additional interest on a final loss claim if a bankruptcy prevents the lender from taking liquidation action or a state's mandatory redemption law prevents the lender from disposing of property acquired through foreclosure.

DATES: *Effective Date:* September 5, 2006.

FOR FURTHER INFORMATION CONTACT: Joseph Pruss, Senior Loan Officer, Farm Service Agency; telephone: (202) 690-2854; facsimile: (202) 690-1196; e-mail: Joseph.Pruss@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

Background

FSA published a proposed rule on August 15, 2005, (70 FR 47730-47733) to amend its regulations governing the servicing of loans made under the guaranteed farm loan program. The

comment period ended October 14, 2005.

Summary of Public Comments

All of the issues related to the proposed rule were commented on. FSA considered the comments and incorporated some of the recommendations and suggestions in this rule. Following is a review of the comments and the changes made in the final rule in response to the comments.

Retaining PLP Status

Six comments were received regarding the proposal to amend 7 CFR 762.106(g)(2)(ii). The proposal would recognize additional situations where a PLP lender could be allowed to retain their status as a PLP lender if, due to circumstances beyond their control they no longer met the eligibility requirements concerning loss ratios. All of the commenters were in favor of the proposal, with one specifically mentioning that the current regulation is inadequate without any change. One comment suggested that the Agency should enlarge the maximum period of waiver from one year to three years, subject to earlier revocation by the Agency if the lender was not making progress toward meeting the requirements of its approved loss reduction plan. Another commenter favored the extension of the one year period only in cases of extreme disasters. One commenter also suggested that the decision on whether or not the extension was to be granted should be made administratively final, since it is subjective and could subject the Agency to appeals and litigation.

In consideration of the comments received, the Agency is making changes in the final rule. Because recovery from disasters can take several years to accomplish, the Agency is going to extend the time period for which an exception can be granted from one year to two years. Past experience shows that one year is an inadequate amount of time to fully recover.

Present regulations allow the Agency to grant a waiver to PLP lenders to allow them to retain their PLP status when they exceed the maximum loss ratio, currently set at three percent, but only under natural disasters that are widespread enough to be declared a disaster. There are many other reasons that are totally beyond the control of the lender that could cause a lender's loss

ratio to exceed three percent, even if the lender normally does an outstanding job in making and servicing loans guaranteed by the Agency. Some of the possibilities could include an untimely freeze of only local impact, an economic downturn in a local area, or perhaps very low commodity prices for a specialty crop only grown in one or two localities. Land values could drop drastically in a local area only, possibly due to industry moving in or out of an area, loss of access to markets, or biological or chemical damage that is not widespread, but negatively affects a small area. A limited area may experience localized flooding due to locally severe thunderstorms, or a large amount of hail in a small area.

Smaller banks that make and service loans in a local area only are more likely to incur losses above the three percent maximum loss ratio because all of their portfolio is concentrated in a small area and the volume of their portfolio is such that as little as one or two loans incurring large loss claims could cause their loss ratio to go up greatly. Larger lenders with loans spread out over a large area would not suffer as greatly and it would take more losses before they would reach the maximum loss limit. Whether a large or small lender, either one would suffer the loss for reasons totally beyond their control.

PLP Lenders who exceed the maximum loss ratio and want to retain their status will contact their FSA State Office and explain why they believe their excessive losses are beyond their control. They will be required to develop a plan to reduce their losses below the three percent loss ratio, the current maximum allowed by regulations to retain PLP status. If the FSA State Office determines there is adequate justification for allowing the lender to retain PLP status, the State Office will make their recommendation and send an exception request to the Deputy Administrator of Farm Loan Programs, who will make the final decision on granting the exception. If the State Office determines that an exception is not justified, they will decline to send a request for an exception. If granted, the exception may be renewed at the end of the two year period for another two year period if the lender is making satisfactory progress toward reducing their loss ratio below the standard, currently set at three

percent. No further renewals or extensions would be granted.

The Deputy Administrator for Farm Loan Programs would not automatically grant the request for retention of PLP status. A careful analysis would be performed on the information provided by the lender and the State Office of the Agency. A comparison would be made with loss ratios of other lenders in the same area. If there are several local lenders, and only one is experiencing excessive loss claims, the request would be denied, unless there were other extenuating circumstances that would justify the request.

The Agency does not adopt the suggestion that the decision on granting an exception be administratively final in order to avoid appeals. The Agency anticipates that such exceptions rarely will be made, and any denials will be upheld in an appeal.

Interest Accrual on Loan Liquidations

Nine comments were received on this subject; all were supportive of the proposal, and saw it as a good start, but some believe it does not go far enough. One mentioned that they appreciated that FSA is responding to the concerns of the commercial lenders on the issue of interest accrual in Chapter 7 bankruptcies and in redemption rights cases. Several commenters believed the Agency should relax its requirements further than proposed, to pay interest for a longer period. These comments stated that while 45 days is enough time to liquidate chattel security, 45 days in some cases is not enough time to liquidate real estate.

In response to these comments, the Agency will pay interest on the unsecured amount for up to 90 days, instead of the 45 days originally proposed, after the earlier of the relief from stay or discharge of the Chapter 7 bankruptcy for real estate secured loans. The Agency still believes that, when the security is chattels, paying interest on the unsecured amount for up to 45 days after the earlier of the relief from stay or discharge of the Chapter 7 bankruptcy is adequate. Forty five days is generally enough time to accomplish liquidation after the relief from stay or discharge since, for chattels there should be few legal impediments; however, this amount of time often is inadequate when real estate serves as collateral. That is because lenders are typically unable to liquidate real estate in the same timeframe as chattels. Thus, the Agency has amended this final rule accordingly.

One comment indicated that the Agency was establishing the date of filing a Chapter 7 bankruptcy as the date

from which the 90 day time limit on interest was to be paid. That, in fact, is already the current policy of FSA, and the revision is simply stating this more clearly in § 762.148 in order to reduce confusion.

Another suggestion was that the time period should be based on the unique circumstances of each case, and suggested that Farm Credit is at a disadvantage because they are required to offer a right of first refusal in all states, regardless of whether or not redemption rights apply. Establishing an indefinite period of time to pay interest based on the particulars of each case would not be appropriate, as lenders would not all be treated equally, so the Agency does not adopt this comment.

The suggestion also was made that the additional interest should apply to the entire amount of the debt and not just the unsecured portion. The Agency does not adopt this comment as the process of the estimated loss claim allows the lender to receive immediate compensation upon which they can invest to offset any earnings reductions.

Another commenter assumed that the filing of Chapter 7 bankruptcy would serve as the lender's liquidation plan. This is not the case. Lenders shall continue to follow those existing regulations at 7 CFR 762.149(b). This section makes very clear the requirements a lender must follow in developing a liquidation plan, including timeframes and submission requirements to the Agency. A lender is still required to appraise the collateral, determine the method to obtain the greatest return, and submit an estimated loss claim if liquidation cannot be completed within 90 days.

Other comments were that the Agency should use some other date for starting the 90 day clock, such as the date the bankruptcy is closed, when the trustee abandons the security, or the date of discharge. The Agency carefully considered these comments, but believes using the date of filing for Chapter 7 bankruptcy as the date of the decision to liquidate is most reasonable as previously explained. When a borrower files for a Chapter 7 bankruptcy, the lender can immediately submit an estimated loss claim, even with incomplete information concerning the collateral. There is limited justification in using the date the bankruptcy is closed, when the trustee abandons the security, or the date of discharge, as the starting date of the 90 day interest accrual the Agency will pay, because there is no reason a lender cannot file an estimated loss claim upon notification of the borrower filing for a Chapter 7 Bankruptcy.

The proposal to pay additional interest on the amount that was estimated to be secured but was eventually found to be unsecured removes the penalty that a lender effectively receives for underestimating their loss under existing regulations. This rule will encourage the lender to file an estimated loss claim since the lender will be paid additional interest on any unsecured debt remaining only if the lender filed an estimated loss claim. Thus the lender will not lose interest due to an inaccurate estimated loss claim.

Another commenter suggested that the Agency include Chapter 11 bankruptcies along with Chapter 7 bankruptcies in the proposal to pay additional interest. The existing regulations concerning Chapter 11 bankruptcies are adequate to cover those situations, so no changes will be made in response to this comment.

Another comment was that the Agency should put some reasonable caps on default interest rates and attorney fees that lenders charge. The Agency has no authority to establish maximum default interest rates. Default interest rates are often spelled out in the promissory note and, by signing promissory notes, borrowers agree to the default interest rate. The Agency is not involved in negotiating loan terms between lenders and their customers beyond the term limits imposed for guaranteed loan origination and rescheduling, and no change will be made in response to the comment. In addition, the Agency does not cover default interest as part of any loss claims.

As for the comment suggesting a particular limitation on attorney fees, the Agency has no authority to establish what reasonable legal fees are. The Agency does often negotiate with lenders to reduce loss claims that include attorney fees that seem unreasonable in a particular case. Explicitly stating in the regulation what is reasonable, is not necessary or appropriate and no change will be made in response to the comment.

Several comments were received which addressed the proposed payment of interest in cases where state redemption rights apply. Commenters generally combined comments concerning interest where state redemption rights apply with the comments on Chapter 7 Bankruptcy. No commenter was opposed to the proposal, but, just as in the case of Chapter 7 bankruptcies, several thought the 45 day proposal was inadequate in some cases, and should be longer. The Agency agrees with the suggestions and

amending the final regulation to allow for the payment of interest for a period of up to 90 days after the end of the redemption period for real estate secured loans.

One commenter suggested that there has been an increasing marginalization of borrowers in the program in recent years, and objects to the use of the language that identifies lenders as the Agency's customers. The guaranteed loan program was created to make credit available to farmers and ranchers who may not have credit available to them. This is accomplished by providing a guarantee to a commercial lender to reduce most of their risk of loss on the loan they make to the farmer/rancher. The loans guaranteed are those that the lender would not have made without a guarantee. Thus, farmers and ranchers are ultimate beneficiaries of the program by being able to obtain credit, or credit at competitive rates and better terms. In making and servicing guaranteed loans, no direct contact between the farmer and the Agency is required; the Agency conducts its program by dealing with the lenders. For guaranteed loans, the farm borrowers make application to, and are customers of the lender. The lender makes application to the Agency for the guarantee, and thus is the customer of the Agency. No changes were made to the rule as a result of this comment.

Executive Order 12866

This rule has been determined to be not significant under Executive Order 12866 and was not reviewed by the Office of Management and Budget.

Regulatory Flexibility Act

The Agency certifies that this rule will not have a significant economic effect on a substantial number of small entities, because it does not require any specific actions on the part of the borrower or the lenders. The Agency made this certification in the proposed rule and no comments were received in this area. The Agency, therefore, is not required to perform a Regulatory Flexibility Analysis as required by the Regulatory Flexibility Act, Public Law 96-534, as amended (5 U.S.C. 601).

Environmental Evaluation

The environmental impacts of this final rule have been considered in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 *et seq.*, the regulations of the Council on Environmental Quality (40 CFR parts 1500-1508), and the FSA regulations for compliance with NEPA, 7 CFR part 1940, subpart G. FSA concluded that the rule does not require preparation of an

environmental assessment or environmental impact statement.

Executive Order 12988

This rule has been reviewed in accordance with E.O. 12988, Civil Justice Reform. In accordance with that Executive Order: (1) All State and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule except that lender servicing under this rule will apply to loans guaranteed prior to the effective date of the rule; and (3) administrative proceedings in accordance with 7 CFR part 11 must be exhausted before requesting judicial review.

Executive Order 12372

For reasons contained in the Notice related to 7 CFR part 3015, subpart V (48 FR 29115, June 24, 1983) the programs and activities within this rule are excluded from the scope of Executive Order 12372, which requires intergovernmental consultation with state and local officials.

Unfunded Mandates

This rule contains no Federal mandates, as defined by title II of Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104-4, for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of UMRA.

Executive Order 13132

The policies contained in this rule do not have any substantial direct effect on 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. Nor does this rule impose substantial direct compliance costs on state and local governments. Therefore, consultation with the states is not required.

Paperwork Reduction Act

The amendments to 7 CFR part 762 contained in this rule require no revisions to the information collection requirements that were previously approved by OMB under control number 0560-0155.

Federal Assistance Programs

These changes affect the following FSA programs as listed in the Catalog of Federal Domestic Assistance: 10.406 Farm Operating Loans; 10.407 Farm Ownership Loans.

List of Subjects in 7 CFR Part 762

Agriculture, Banks, Credit, Loan programs—agriculture.

■ Accordingly, Title 7 of the Code of Federal Regulations is amended as follows:

PART 762—GUARANTEED FARM LOANS

■ 1. The authority citation for part 762 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989.

■ 2. Amend § 762.106 by revising paragraph (g)(2)(ii) to read as follows:

§ 762.106 Preferred and certified lender programs.

* * * * *

(g) * * *

(2) * * *

(ii) Failure to maintain PLP or CLP eligibility criteria. The Agency may allow a PLP lender with a loss rate which exceeds the maximum PLP loss rate, to retain its PLP status for a two-year period, if:

(A) The lender documents in writing why the excessive loss rate is beyond their control;

(B) The lender provides a written plan that will reduce the loss rate to the PLP maximum rate within two years from the date of the plan, and

(C) The Agency determines that exceeding the maximum PLP loss rate standard was beyond the control of the lender. Examples include, but are not limited to, a freeze with only local impact, economic downturn in a local area, drop in local land values, industries moving into or out of an area, loss of access to a market, and biological or chemical damage.

(D) The Agency will revoke PLP status if the maximum PLP loss rate is not met at the end of the two-year period, unless a second two year extension is granted under this subsection.

* * * * *

■ 3. Amend § 762.148(d)(1) by adding a sentence to the end of the paragraph to read as follows:

§ 762.148 Bankruptcy.

* * * * *

(d) * * *

(1) * * * For purposes of calculating the time frames required under § 762.149 of this part, for a borrower who is or will be liquidated, the date the borrower files for bankruptcy protection under Chapter 7 shall be the date of the decision to liquidate.

* * * * *

■ 4. Amend § 762.149 by revising paragraph (d)(2) to read as follows:

§ 762.149 Liquidation.

* * * * *

(d) * * *

(2) The lender generally will discontinue interest accrual on the defaulted loan at the time the estimated loss claim is paid by the Agency. The following exceptions apply:

(i) If the lender estimates that there will be no loss after considering the costs of liquidation, interest accrual will cease 90 days after the decision to liquidate,

(ii) In the case of a Chapter 7 bankruptcy, in cases where the lender filed an estimated loss claim, the Agency will pay the lender interest which accrues during and up to 45 days after the date of discharge on the portion of the chattel only secured debt that was estimated to be secured but upon final liquidation was found to be unsecured, and up to 90 days after the date of discharge on the portion of real estate secured debt that was estimated to be secured but was found to be unsecured upon final disposition,

(iii) The Agency will pay the lender interest which accrues during and up to 90 days after the time period the lender is unable to dispose of acquired property due to state imposed redemption rights on any unsecured portion of the loan during the redemption period, if an estimated loss claim was paid by the Agency during the liquidation action.

* * * * *

Signed at Washington, DC, on July 18, 2006.

Teresa C. Lasseeter,

Administrator, Farm Service Agency.

[FR Doc. E6-12503 Filed 8-2-06; 8:45 am]

BILLING CODE 3410-05-P

DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

9 CFR Parts 327 and 381

[Docket No. 03-033F; FDMS Docket Number FSIS-2005-0026]

RIN 0583-AD08

Frequency of Foreign Inspection System Supervisory Visits to Certified Foreign Establishments

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: The Food Safety and Inspection Service (FSIS) FSIS is amending 9 CFR parts 327 and 381 to bring the frequency with which foreign inspection systems are required to make supervisory visits to certified establishments into agreement with the

frequency with which the Agency makes supervisory visits to domestic establishments. This final rule does not affect in-plant inspection requirements. FSIS is deleting the requirement that supervisory visits take place “not less frequent[ly] than one such visit per month.” Instead, FSIS will require foreign inspection systems to make “periodic supervisory visits” to certified establishments to ensure that establishments meet FSIS requirements for certification to export meat and poultry to the United States.

DATES: *Effective Date:* September 5, 2006.

FOR FURTHER INFORMATION CONTACT: Ms. Sally White, Director, International Equivalence Staff, FSIS Office of International Affairs; (202) 720-6400; sally.white@fsis.usda.gov.

SUPPLEMENTARY INFORMATION:

Background

On August 18, 2004, FSIS published a proposal in the **Federal Register** (69 FR 51194-51196) to amend 9 CFR 327.2(a)(2)(iv)(A) and 9 CFR 381.196(a)(2)(iv)(A) to provide that supervisory visits by a representative of the foreign inspection system are to occur at periodic intervals to ensure that establishments and products meet the requirements for certification to the United States on an ongoing basis. This change would make the Agency's requirements for foreign inspection programs as consistent as possible with the FSIS domestic inspection program. It would also allow foreign countries flexibility in structuring their programs.

Upon the effective date of this final rule, FSIS will send an official letter to each eligible country announcing: The change from the monthly requirement and requesting, in writing, formal notice of the eligible country's projected frequency of supervisory visits; an explanation of why the proposed frequency will ensure that the eligible country's system produces safe, wholesome, unadulterated, and properly labeled and packaged product on an ongoing basis; and an explanation of how the system will ensure that any immediate need for supervisory intervention will be recognized and met. The frequency of periodic supervisory visits will be evaluated for adequacy by FSIS through its annual audit process, in which the ongoing eligibility of an exporting country is reviewed.

Comments

FSIS received four comments on the proposed rule. One comment supported the proposal. Three comments raised concerns, with one calling for the

proposal to be withdrawn. The concerns expressed in these three comments are summarized and answered below.

Equivalence With U.S. Domestic Inspection System Culture

Two comments noted that FSIS has stated that there are continual contacts between its inspectors in domestic plants and supervisors through means other than personal visits and questioned whether such intensive interaction exists within exporting countries that would no longer be held to monthly supervisory visits.

FSIS Response

The Agency notes that the inspection system of a country requesting eligibility to export meat and poultry products to the United States is thoroughly investigated during the equivalence evaluation process described at length in the proposal to this final rule. A key part of the evaluation is an assessment of in-plant implementation of inspection system procedures, which includes an examination of the appropriate level of supervisory oversight for certified establishments. An applying country must demonstrate that its inspection system, as implemented, includes features equivalent to those of the U.S. system before the country can be found equivalent.

As stated above, upon the effective date of this final rule, FSIS will send an official letter to each eligible country announcing the change from the monthly requirement. FSIS will request formal notice in writing of the eligible country's projected frequency of supervisory visits and an explanation of why the proposed frequency will ensure that the eligible country's system produces safe and wholesome product on an ongoing basis. Each eligible country will also be asked to describe, in writing, how its system will ensure that any immediate need for supervisory intervention will be recognized and met. The frequency of periodic supervisory visits will be evaluated for adequacy by FSIS in its annual audits reviewing the ongoing eligibility of an exporting country.

Equivalence With Domestic State Inspection Systems

Another comment noted that the 28 State inspection systems are required to be “at least equal to” the Federal inspection system, and that many federally-inspected plants have reported supervisory visits more frequently than the monthly requirement that will be eliminated for eligible exporting countries by the final rule.

FSIS Response

The Agency notes that, as it does not set a mandatory frequency for itself, it does not require a set frequency of supervisory visits from the "equal to" State inspection systems. Thus, there is no compelling reason for the Agency to require exporting countries to meet a specific frequency that is not mandatory for any domestic program. Supervisory visits in domestic establishments under Federal inspection occur at the frequency required by local conditions and by Agency concerns regarding the situation at a given plant. Thus the frequency of visits varies from plant to plant, but overall such visits occur less frequently than once a month.

Definition of "Periodic"

One comment asked if the Agency will define "periodic" and require uniformity among countries eligible to export meat and poultry products to the United States.

FSIS Response

As there is no domestic requirement for a specific frequency of supervisory visits to plants, "periodic" will mean a frequency determined by exporting countries as adequate to ensure that certified establishments continually meet FSIS equivalency requirements, as evaluated and verified by the Agency. As stated above, upon the effective date of this final rule, FSIS will send an official letter to each eligible country announcing the change from the monthly requirement and will request formal notice, in writing, of the eligible country's projected frequency of supervisory visits.

Timely Information

One comment asked whether the Agency has a mechanism for staying current with regulatory or procedural changes in exporting countries.

FSIS Response

The Agency has long maintained a system of exchanging official letters with trading partners to provide notice of any relevant changes in both regulations and inspection procedures. FSIS, furthermore, conducts an ongoing system of equivalence verification to update the original equivalence evaluation. One key element of this verification system is a recurring document analysis of the laws, regulations, and implementing policies of the foreign food regulatory system to ensure that an equivalent infrastructure is in place, and that timely notification of any relevant changes has been made through the system of official letters. As stated above, upon the effective date of

this final rule, FSIS will send official letters to all eligible countries informing them of the change from the monthly requirement and requesting formal notice of their projected frequency of supervisory visits.

The second key element of the equivalence verification process is the annual on-site food regulatory system audit conducted by FSIS technical specialists in every country that exports meat or poultry products to the United States. During these annual system audits, FSIS seeks evidence that the exporting country has instituted sanitary measures adequate to provide the same level of protection that is ensured by our domestic system. The system audit focuses on two essential components of safe food production, industry process control and government regulatory control. The frequency of periodic supervisory visits would be evaluated for adequacy by FSIS in the annual audits.

The third component of equivalence verification is port-of-entry reinspection, where FSIS randomly samples meat and poultry products as they enter the United States to ensure that exporting country certificates are authentic and accurate, and that products meet all U.S. standards pertaining to safe, wholesome, unadulterated, and properly labeled and packaged product. Although records are maintained on each certified establishment, reinspection is designed to verify effectiveness of the foreign inspection system. Port-of-entry reinspection is directed by the Automated Import Information System (AIIS), a centralized computer database that stores daily reinspection results from all ports of entry for each country and for each establishment. When a shipment is presented for reinspection, the AIIS scans its existing records to determine whether the foreign country, the establishment, and the product are eligible for export to the United States. The shipment is refused entry if any component of eligibility is absent.

Given these well-established mechanisms, and the additional FSIS request for notice of an exporting country's projected frequency of periodic supervisory visits, the Agency is confident that it will quickly become aware of any changes in an exporting country's regulatory system and practice.

Terrorism

One comment stated that eliminating the requirement for monthly supervisory visits could undercut the war on terrorism by loosening control of

products destined for export to the United States.

FSIS Response

As described above, the inspection system of a country requesting eligibility to export meat and poultry products to the United States is analyzed intensively during the equivalence evaluation process, which includes a review of in-plant implementation of inspection system procedures. A country applying for eligibility must demonstrate that its inspection system, as implemented, includes features equivalent to those of the U.S. system before the country can be found equivalent.

As stated above, upon the effective date of this final rule, FSIS will send an official letter to each eligible country announcing the change from the monthly requirement and requesting formal notice in writing of the eligible country's projected frequency of supervisory visits. FSIS will also request that each country explain why the proposed frequency will ensure that its system produces safe and wholesome product on an ongoing basis, and describe how the system will ensure that any immediate need for supervisory intervention will be recognized and met.

To verify the continuing equivalence of an eligible exporting country, FSIS maintains a comprehensive system of import inspection controls as described above, which includes recurring document analysis of a foreign country's inspection system, annual on-site audits, and port-of-entry reinspection. During the Agency's annual audits of those foreign countries exporting meat, poultry, and egg products to the United States, information is provided to the exporting countries on the FSIS security guidelines for food processors and for the transportation and distribution of meat, poultry, and egg products. FSIS auditors also report to the appropriate inspection officials any potential threats that they observe during the audit. In these annual equivalence/verification audits, FSIS will evaluate the frequency of periodic supervisory visits for adequacy.

FSIS has also developed strong internal resources for food defense that provide an extra margin of protection against potential terrorism involving the food supply. These resources include the Office of Food Defense and Emergency Response (OFDER), a dedicated, full-time staff whose sole responsibility is food security, and Import Surveillance Liaison Officers who are stationed around the country to augment the efforts of traditional FSIS inspectors assigned to import houses.

The Agency, furthermore, participates in the Federal International Trade Data System (ITDS), a multi-department, multi-agency initiative establishing a single, automated system for sharing data on the inspection and certification of products moving in foreign commerce.

With these notification and auditing mechanisms and other initiatives in place, FSIS believes it can verify that countries eligible to export meat and poultry products to the United States maintain, among other things, food defense procedures and practices that are equivalent to those of the United States.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. It has been determined to be not significant for purposes of E.O. 12866 by the Office of Management and Budget (OMB).

The main effect of this action is to give eligible countries the flexibility to structure their own supervisory programs as they deem necessary so as to ensure that establishments continue to meet the requirements for certification to export to the United States. This action will enable the United States to meet its obligation as a signatory to the World Trade Organization (WTO) "Agreement on the Application of Sanitary and Phytosanitary Measures" not to impose import requirements on inspection systems or establishments in an exporting country that are more stringent than those applied domestically. No costs should ensue from this final action.

Executive Order 12988

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. When this final rule is adopted: (1) All State and local laws and regulations that are inconsistent with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings will not be required before parties may file suit in court challenging this rule.

Effect on Small Entities

This action affects only how foreign countries perform inspection and will not have any effect on domestic establishments. Therefore, the Administrator, FSIS, has made a determination that this final rule will not have a significant impact on a substantial number of small entities, as defined by the Regulatory Flexibility Act (5 U.S.C. 601).

Expected Effect on FSIS, Other Federal Agencies, State and Local Governments and Foreign Countries

This final action is expected to have no effect upon FSIS or other Federal agencies. It is likely to have only minimal effects on foreign countries. The action will not affect State and local governments.

Expected Environmental Effects

Amending 9 CFR parts 327 and 381 to bring the frequency with which foreign inspection systems are required to make supervisory visits to certified establishments into agreement with the frequency with which the Agency makes supervisory visits to domestic establishments is an activity that will not have a significant individual or cumulative effect on the human environment. Therefore, this action is appropriately subject to the categorical exclusion from the preparation of an environmental assessment or environmental impact statement provided under 7 CFR 1b.4(6) of the U.S. Department of Agriculture regulations.

Paperwork Requirements

No new paperwork requirements are associated with this final rule. Foreign countries wanting to export meat and meat products to the United States are required to provide information to FSIS certifying that their inspection systems provide standards equivalent to those of the United States, and that the legal authority for the systems and their implementing regulations are equivalent to those of the United States, before they may start exporting such product to the United States. FSIS collects this information one time only. This information collection was approved under OMB number 0583-0094. The final rule contains no other paperwork requirements.

Additional Public Notification

Public awareness of all segments of rulemaking and policy development is important. Consequently, in an effort to ensure that the public and in particular minorities, women, and persons with disabilities, are aware of this final rule, FSIS will announce it on-line through the FSIS Web page located at http://www.fsis.usda.gov/Regulations_Policies/2005_Interim_Final_Rules_Index/index.asp.

The Regulations.gov Web site is the central online rulemaking portal of the United States Government. It is being offered as a public service to increase participation in the Federal Government's regulatory activities. FSIS participates in Regulations.gov and will

accept comments on documents published on the site. The site allows visitors to search by keyword or Department or Agency for rulemakings that allow for public comment. Each entry provides a quick link to a comment form so that visitors can type in their comments and submit them to FSIS. The Web site is located at <http://www.regulations.gov/>.

FSIS also will make copies of this **Federal Register** publication available through the FSIS Constituent Update, which is used to provide information regarding FSIS policies, procedures, regulations, **Federal Register** notices, FSIS public meetings, recalls, and other types of information that could affect or would be of interest to our constituents and stakeholders. The update is communicated via Listserv, a free e-mail subscription service consisting of industry, trade, and farm groups, consumer interest groups, allied health professionals, scientific professionals, and other individuals who have requested to be included. The update also is available on the FSIS Web page. Through Listserv and the Web page, FSIS is able to provide information to a much broader, more diverse audience.

In addition, FSIS offers an e-mail subscription service which provides automatic and customized access to selected food safety news and information. This service is available at http://www.fsis.usda.gov/news_and_events/email_subscription/. Options range from recalls to export information to regulations, directives and notices. Customers can add or delete subscriptions themselves and have the option to password protect their account.

List of Subjects

9 CFR Part 327

Imported products.

9 CFR Part 381

Imported poultry products, poultry inspection.

■ For the reasons discussed in the preamble, FSIS is amending 9 CFR parts 327 and 381, as follows:

PART 327—IMPORTED PRODUCTS

■ 1. The authority for part 327 continues to read as follows:

Authority: 21 U.S.C. 601–695; 7 CFR 2.18, 2.53.

■ 2. Section 327.2(a)(2)(iv)(A) is revised to read as follows:

§ 327.2 Eligibility of foreign countries for importation of products into the United States.

- (a) * * *
- (2) * * *
- (iv) * * *

(A) Periodic supervisory visits by a representative of the foreign inspection system to each establishment certified in accordance with paragraph (a)(3) of this section to ensure that requirements referred to in paragraphs (a)(2)(ii)(A) through (H) of this section are being met: Provided, That such visits are not required with respect to any establishment during a period when the establishment is not operating or is not engaged in producing products for exportation to the United States;

* * * * *

PART 381—POULTRY PRODUCTS INSPECTION REGULATIONS

■ 3. The authority for part 381 continues to read as follows:

Authority: 7 U.S.C. 138f, 450; 21 U.S.C. 451–470; 7 CFR 2.18, 2.53.

Subpart T—Imported Poultry Products

■ 4. Section 381.196(a)(2)(iv)(A) is revised to read as follows:

§ 381.196 Eligibility of foreign countries for importation of products into the United States.

- (a) * * *
- (2) * * *
- (iv) * * *

(A) Periodic supervisory visits by a representative of the foreign inspection system to each establishment certified in accordance with paragraph (a)(3) of this section to ensure that requirements referred to in paragraphs (a)(2)(ii)(A) through (H) of this section are being met: Provided, That such visits are not required with respect to any establishment during a period when the establishment is not operating or is not engaged in producing products for exportation to the United States;

* * * * *

Done at Washington, DC, on July 31, 2006.

Barbara J. Masters,
Administrator.

[FR Doc. E6–12565 Filed 8–2–06; 8:45 am]

BILLING CODE 3410-DM-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2006–24786; Directorate Identifier 2006–NM–087–AD; Amendment 39–14702; AD 2006–16–02]

RIN 2120-AA64

Airworthiness Directives; McDonnell Douglas Model DC–9–81 (MD–81), DC–9–82 (MD–82), DC–9–83 (MD–83), DC–9–87 (MD–87), and MD–88 Airplanes

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain McDonnell Douglas Model DC–9–81 (MD–81), DC–9–82 (MD–82), DC–9–83 (MD–83), DC–9–87 (MD–87), and MD–88 airplanes. This AD requires installing a clamp, a bonding jumper assembly, and attaching hardware to the refueling manifold in the right wing refueling station area. This AD results from fuel system reviews conducted by the manufacturer. We are issuing this AD to prevent arcing on the in-tank side of the fueling valve during a lightning strike, which could result in an ignition source that could ignite fuel vapor and cause a fuel tank explosion.

DATES: This AD becomes effective September 7, 2006.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in the AD as of September 7, 2006.

ADDRESSES: You may examine the AD docket on the Internet at <http://dms.dot.gov> or in person at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC.

Contact Boeing Commercial Airplanes, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1–L5A (D800–0024), for service information identified in this AD.

FOR FURTHER INFORMATION CONTACT: William Bond, Aerospace Engineer, Propulsion Branch, ANM–140L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712–4137; telephone (562) 627–5253; fax (562) 627–5210.

SUPPLEMENTARY INFORMATION:

Examining the Docket

You may examine the airworthiness directive (AD) docket on the Internet at <http://dms.dot.gov> or in person at the Docket Management Facility office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Management Facility office (telephone (800) 647–5227) is located on the plaza level of the Nassif Building at the street address stated in the **ADDRESSES** section.

Discussion

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to include an AD that would apply to certain McDonnell Douglas Model DC–9–81 (MD–81), DC–9–82 (MD–82), DC–9–83 (MD–83), DC–9–87 (MD–87), and MD–88 airplanes. That NPRM was published in the **Federal Register** on May 17, 2006 (71 FR 28626). That NPRM proposed to require installing a clamp, a bonding jumper assembly, and attaching hardware to the refueling manifold in the right wing refueling station area.

Comments

We provided the public the opportunity to participate in the development of this AD. We received no comments on the NPRM or on the determination of the cost to the public.

Conclusion

We have carefully reviewed the available data and determined that air safety and the public interest require adopting the AD as proposed.

Costs of Compliance

There are about 994 airplanes of the affected design in the worldwide fleet. This AD will affect about 573 airplanes of U.S. registry. The required actions will take about 2 work hours per airplane, at an average labor rate of \$80 per work hour. Required parts will cost about \$8 per airplane. Based on these figures, the estimated cost of this AD for U.S. operators is \$96,264, or \$168 per airplane.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701, "General requirements." Under that section, Congress charges the FAA with

promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We have determined that this AD will not have federalism implications under Executive Order 13132. This AD will 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.

For the reasons discussed above, I certify that this AD:

- (1) Is not a "significant regulatory action" under Executive Order 12866;
- (2) Is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
- (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a regulatory evaluation of the estimated costs to comply with this AD and placed it in the AD docket. See the **ADDRESSES** section for a location to examine the regulatory evaluation.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

■ Accordingly, under the authority delegated to me by the Administrator, the FAA amends 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. The Federal Aviation Administration (FAA) amends § 39.13 by adding the following new airworthiness directive (AD):

2006-16-02 McDonnell Douglas:

Amendment 39-14702. Docket No. FAA-2006-24786; Directorate Identifier 2006-NM-087-AD.

Effective Date

(a) This AD becomes effective September 7, 2006.

Affected ADs

(b) None.

Applicability

(c) This AD applies to McDonnell Douglas Model DC-9-81 (MD-81), DC-9-82 (MD-82), DC-9-83 (MD-83), DC-9-87 (MD-87), and MD-88 airplanes, certificated in any category; as identified in Boeing Service Bulletin MD80-28-213, dated May 16, 2005.

Unsafe Condition

(d) This AD results from fuel system reviews conducted by the manufacturer. We are issuing this AD to prevent arcing on the in-tank side of the fueling valve during a lightning strike, which could result in an ignition source that could ignite fuel vapor and cause a fuel tank explosion.

Compliance

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

Electrical Bond Installation

(f) Within 60 months after the effective date of this AD, install a clamp, a bonding jumper assembly, and attaching hardware to the refueling manifold in the right wing refueling station area; in accordance with the Accomplishment Instructions of Boeing Service Bulletin MD80-28-213, dated May 16, 2005.

Alternative Methods of Compliance (AMOCs)

(g)(1) The Manager, Los Angeles Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) Before using any AMOC approved in accordance with § 39.19 on any airplane to which the AMOC applies, notify the appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

Material Incorporated by Reference

(h) You must use Boeing Service Bulletin MD80-28-213, dated May 16, 2005, to perform the actions that are required by this AD, unless the AD specifies otherwise. The Director of the Federal Register approved the incorporation by reference of this document in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Contact Boeing Commercial Airplanes, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1-L5A (D800-0024), for a copy of this service information. You may review copies at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Room PL-401, Nassif Building, Washington, DC; on the Internet at <http://dms.dot.gov>; or at the National Archives and Records Administration (NARA). For information on the availability of this material at the NARA, call (202) 741-6030, or go to http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Issued in Renton, Washington, on July 21, 2006.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. E6-12298 Filed 8-2-06; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2006-24780; Directorate Identifier 2006-NM-069-AD; Amendment 39-14703; AD 2006-16-03]

RIN 2120-AA64

Airworthiness Directives; McDonnell Douglas Model DC-10-10, DC-10-10F, DC-10-15, DC-10-30, DC-10-30F (KC-10A and KDC-10), DC-10-40, and DC-10-40F Airplanes

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain McDonnell Douglas airplanes, identified above. This AD requires installing or replacing with improved parts, as applicable, the bonding straps between the metallic frame of the fillet and the wing leading edge ribs, on both the left and right sides of the airplane. This AD results from fuel system reviews conducted by the manufacturer. We are issuing this AD to reduce the potential of ignition sources inside fuel tanks in the event of a severe lightning strike, which, in combination with flammable fuel vapors, could result in fuel tank explosions and consequent loss of the airplane.

DATES: This AD becomes effective September 7, 2006.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in the AD as of September 7, 2006.

ADDRESSES: You may examine the AD docket on the Internet at <http://dms.dot.gov> or in person at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC.

Contact Boeing Commercial Airplanes, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1-L5A (D800-0024), for service information identified in this AD.

FOR FURTHER INFORMATION CONTACT:

Samuel Lee, Aerospace Engineer, Propulsion Branch, ANM-140L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712-4137; telephone (562) 627-5262; fax (562) 627-5210.

SUPPLEMENTARY INFORMATION:**Examining the Docket**

You may examine the airworthiness directive (AD) docket on the Internet at <http://dms.dot.gov> or in person at the Docket Management Facility office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Management Facility office (telephone (800) 647-5227) is located on the plaza level of the Nassif Building at the street address stated in the **ADDRESSES** section.

Discussion

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to include an AD that would apply to certain McDonnell Douglas Model DC-10-10, DC-10-10F, DC-10-15, DC-10-30, DC-10-30F (KC-10A and KDC-10), DC-10-40, and DC-10-40F airplanes. That NPRM was published in the **Federal Register** on May 17, 2006 (71 FR 28619). That NPRM proposed to require installing or replacing with improved parts, as applicable, the bonding straps between the metallic frame of the fillet and the wing leading edge ribs, on both the left and right sides.

Comments

We provided the public the opportunity to participate in the development of this AD. We received no comments on the NPRM or on the determination of the cost to the public.

Conclusion

We have carefully reviewed the available data and determined that air safety and the public interest require adopting the AD as proposed.

Costs of Compliance

There are about 457 airplanes of the affected design in the worldwide fleet. This AD will affect about 280 airplanes of U.S. registry. The required actions will take between 9 and 17 work hours per airplane, at an average labor rate of \$80 per work hour. Required parts will cost between \$3,720 and \$4,169 per airplane. Based on these figures, the estimated cost of the AD is between \$4,440 and \$5,529 per airplane, or between \$1,243,200 and \$1,548,120 for the U.S.-registered fleet.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701, "General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We have determined that this AD will not have federalism implications under Executive Order 13132. This AD will 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.

For the reasons discussed above, I certify that this AD:

(1) Is not a "significant regulatory action" under Executive Order 12866;

(2) Is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and

(3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a regulatory evaluation of the estimated costs to comply with this AD and placed it in the AD docket. See the **ADDRESSES** section for a location to examine the regulatory evaluation.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

■ Accordingly, under the authority delegated to me by the Administrator, the FAA amends 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. The Federal Aviation Administration (FAA) amends § 39.13 by adding the following new airworthiness directive (AD):

2006-16-03 McDonnell Douglas:

Amendment 39-14703. Docket No. FAA-2006-24780; Directorate Identifier 2006-NM-069-AD.

Effective Date

(a) This AD becomes effective September 7, 2006.

Affected ADs

(b) None.

Applicability

(c) This AD applies to McDonnell Douglas Model DC-10-10, DC-10-10F, DC-10-15, DC-10-30, DC-10-30F (KC-10A and KDC-10), DC-10-40, and DC-10-40F airplanes, certificated in any category; as identified in the applicable service bulletin listed in Table 1 of this AD.

TABLE 1.—SERVICE BULLETINS

McDonnell Douglas DC-10 Service Bulletin	Revision level	Date	For airplanes with—
53-109	4	October 7, 1992	Extended wing-to-fuselage fillets.
53-111	3	August 24, 1992	Conventional wing-to-fuselage fillets.

Unsafe Condition

(d) This AD results from fuel system reviews conducted by the manufacturer. We are issuing this AD to reduce the potential of ignition sources inside fuel tanks in the event

of a severe lightning strike, which, in combination with flammable fuel vapors, could result in fuel tank explosions and consequent loss of the airplane.

Compliance

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

Installation or Replacement

(f) Within 7,500 flight hours or 60 months after the effective date of this AD, whichever occurs earlier: Install or replace with improved parts, as applicable, the bonding straps between the metallic frame of the fillet and the wing leading edge ribs, on both the left and right sides of the airplane, in accordance with the Accomplishment Instructions of the applicable service bulletin identified in Table 1 of this AD.

Alternative Methods of Compliance (AMOCs)

(g)(1) The Manager, Los Angeles Aircraft Certification Office, FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) Before using any AMOC approved in accordance with § 39.19 on any airplane to which the AMOC applies, notify the appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

Material Incorporated by Reference

(h) You must use McDonnell Douglas DC-10 Service Bulletin 53-109, Revision 4, dated October 7, 1992; or McDonnell Douglas DC-10 Service Bulletin 53-111, Revision 3, dated August 24, 1992; as applicable, to perform the actions that are required by this AD, unless the AD specifies otherwise. The Director of the Federal Register approved the incorporation by reference of these documents in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Contact Boeing Commercial Airplanes, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1-L5A (D800-0024), for a copy of this service information. You may review copies at the Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Room PL-401, Nassif Building, Washington, DC; on the Internet at <http://dms.dot.gov>; or at the National Archives and Records Administration (NARA). For information on the availability of this material at the NARA, call (202) 741-6030, or go to http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Issued in Renton, Washington, on July 21, 2006.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. E6-12299 Filed 8-2-06; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. 2004-NE-10-AD; Amendment 39-14704; AD 2006-16-04]

RIN 2120-AA64

Airworthiness Directives; Rolls-Royce Corporation (Formerly Allison Engine Company, Allison Gas Turbine Division, and Detroit Diesel Allison) (RRC) 250-B and 250-C Series Turboshaft and Turboprop Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is superseding an existing airworthiness directive (AD) for RRC 250-B and 250-C series turboshaft and turboprop engines. That AD currently requires a onetime inspection of the fuel nozzle screen for contamination, and if contamination is found, inspection and cleaning of the entire aircraft fuel system before further flight. That AD also requires replacing the fuel nozzle with a new design fuel nozzle, at the next fuel nozzle overhaul or by June 30, 2006, whichever occurs first. This AD requires the same actions, but would add additional part numbers (P/Ns) to the list of affected fuel nozzles. This AD would also explain that the existing AD, as worded, allows certain part number (P/N) fuel nozzles back into service. Those fuel nozzles must not be allowed back into service. This AD is prompted by the discovery that several P/Ns of fuel nozzles were inadvertently left out of AD 2004-24-09. We are issuing this AD to minimize the risk of sudden loss of engine power and uncommanded shutdown of the engine due to fuel contamination and collapse of the screen in the fuel nozzle.

DATES: This AD becomes effective September 7, 2006.

ADDRESSES: You may examine the AD docket at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA.

FOR FURTHER INFORMATION CONTACT: John Tallarovic, Aerospace Engineer, Chicago Aircraft Certification Office, FAA, 2300 East Devon Avenue, Des Plaines, IL 60018-4696; telephone (847) 294-8180; fax (847) 294-7834.

SUPPLEMENTARY INFORMATION: The FAA proposed to amend 14 CFR part 39 with a proposed airworthiness directive (AD). The proposed AD applies to RRC 250-B and 250-C series turboshaft and turboprop engines. We published the

proposed AD in the **Federal Register** on October 18, 2005 (70 FR 60453). That action proposed to require a onetime inspection of the fuel nozzle screen for contamination, and if contamination is found, inspection and cleaning of the entire aircraft fuel system before further flight. That AD also proposed to require replacing the fuel nozzle with a new design fuel nozzle, at the next fuel nozzle overhaul.

Examining the AD Docket

You may examine the AD Docket (including any comments and service information), by appointment, between 8 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. See **ADDRESSES** for the location.

Comments

We provided the public the opportunity to participate in the development of this AD. We have considered the comments received.

Listing of Rule in DMS

One commenter believes that we should have listed the proposed action in "dms". We do not agree. Although the commenter did not define "dms," the only relevant system is the Docket Management System (DMS). When we began this proposed rule early in 2004, we were not using the DMS and we could not list it in the system.

Change Goodrich Aerospace to Delavan

One commenter notes that Goodrich Aerospace acquired the company with the Parts Manufacturer Approval (PMA) cited in the proposed AD (Delavan) and suggests changing the name in the final rule. We agree and have changed the name to Goodrich Delavan (Delavan was misspelled in the proposed rule.)

Combine Tables 3 and 4

One commenter requests we combine Tables 3 and 4. The commenter believes that the nozzles listed in Table 3 manufactured under the PMA, which require an inspection within 50 operating hours, should be treated in the same manner as the nozzles listed in Table 4, which do not require an inspection until 150 operating hours. We do not agree. Operators have already inspected the nozzles listed in Table 4 under the requirements of AD 2004-24-09. After we published that AD, we found that we omitted some fuel nozzle part numbers from the list of parts requiring inspection. This proposed rule adds those omitted part numbers and includes both Rolls-Royce Corporation and PMA parts. Because we omitted these parts from AD 2004-24-09, operators have not inspected them yet.

Based on that, we intentionally shortened the compliance time for inspecting them. We have not changed this AD.

Correct Applicability Errors

One commenter asks that we correct errors and omissions in the listing of aircraft models on which the affected engines are installed in Table 2. We agree and we have corrected this information in Table 2 and in the Applicability.

Change in Required Compliance Time

We have changed the compliance time required in paragraph (h) of the proposed rule from, "At the next fuel nozzle overhaul after the effective date of this AD, or by June 30, 2006, whichever occurs first * * *", to "At the next fuel nozzle overhaul after the effective date of this AD * * *", because the June 30, 2006 date has past.

Conclusion

We have carefully reviewed the available data, including the comments received, and determined that air safety and the public interest require adopting the AD with the changes described previously. We have determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

Costs of Compliance

We estimate that this AD will affect 10,000 engines installed on aircraft of U.S. registry. We also estimate that it will take about one work-hour per engine to perform the required actions, and that the average labor rate is \$65 per work-hour. In addition, operators can either replace the fuel nozzle with a new one at a cost of about \$2,595 or have the existing nozzle overhauled at a cost of about \$850. We estimate that about 80 percent of the fuel nozzles will be overhauled and 20 percent will be replaced with a new nozzle. Therefore, we estimate that the required parts will cost, on average, about \$1,200 per engine. Based on these figures, we estimate the total cost of the AD to U.S. operators to be \$12,650,000.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in subtitle VII, part A, subpart III, section 44701,

"General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We have determined that this AD will not have federalism implications under Executive Order 13132. This AD will 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.

For the reasons discussed above, I certify that this AD:

- (1) Is not a "significant regulatory action" under Executive Order 12866;
- (2) Is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
- (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a summary of the costs to comply with this AD and placed it in the AD Docket. You may get a copy of this summary by sending a request to us at the address listed under **ADDRESSES**. Include "AD Docket No. 2004-NE-10-AD" in your request.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration amends 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. The FAA amends § 39.13 by removing Amendment 39-13885 (69 FR 69807, December 1, 2004) and by adding a new airworthiness directive, Amendment 39-14704, to read as follows:

2006-16-04 Rolls-Royce Corporation (formerly Allison Engine Company,

Allison Gas Turbine Division, and Detroit Diesel Allison): Amendment 39-14704. Docket No. 2004-NE-10-AD.

Effective Date

- (a) This airworthiness directive (AD) becomes effective September 7, 2006.

Affected ADs

- (b) This AD supersedes AD 2004-24-09, Amendment 39-13885.

Applicability

- (c) This AD applies to Rolls-Royce Corporation (formerly Allison Engine Company, Allison Gas Turbine Division, and Detroit Diesel Allison) (RRC) 250-B and 250-C series turboshaft and turboprop engines in the following Table 1:

TABLE 1.—250-B AND 250-C SERIES TURBOSHAFT AND TURBOPROP ENGINES AFFECTED

-B15A
-B15E
-B15G
-B17
-B17B
-B17C
-B17D
-B17E
-B17F
-B17F/1
-B17F/2
-C10
-C10B
-C10D
-C18
-C18A
-C18B
-C18C
-C20
-C20B
-C20C
-C20F
-C20J
-C20R
-C20R/1
-C20R/2
-C20R/4
-C20S
-C20W
-C28
-C28B
-C28C
-C30
-C30G
-C30G/2
-C30M
-C30P
-C30R
-C30R/1
-C30R/3
-C30R/3M
-C30S
-C30U
-C40B
-C47B
-C47M

These engines are installed on, but not limited to, the aircraft listed in the following Table 2:

TABLE 2.—ENGINES INSTALLED ON, BUT NOT LIMITED TO

Manufacturer	Model
AeroSpace Technologies of Australia Pty Ltd	N22B, N22S, and N24A.
Agusta	A109, A109A, A109All, and A109C.
Arrow Falcon Exporters	OH-58A, OH-58A+, and OH-58C.
Bell Helicopter Textron	206A, 206A-1, 206B, 206L, 206L-1, 206L-3, 206L-4, 230, 407, and 430.
B-N Group	BN-2T and BN-2T-4R.
Enstrom Helicopter	TH28, 480; and 480B.
Eurocopter Canada Limited	BO 105 LS A-3.
Eurocopter Deutschland	BO-105A, BO-105C, BO-105LS A-1, and BO-105S.
Eurocopter France	AS355E, AS355F, AS355I, and AS355F2.
FH-1100 Manufacturing Corporation	100, 420, and MX-7-420A.
Garlick Helicopters	OH-58A, OH-58A+, OH-58C; Maule zm-7-420A, MT-7-420, MX-7-420, MX-7-420A.
MD Helicopters Inc	369, 369A, 369D, 369E, 369F, 369FF, 369H, 369HE, 369HM, 369HS, 500N, and 600N.
San Joaquin Helicopters	OH-58A, OH-58A+, and OH-58C.
Schweizer	TH269D.
SIAI Marchetti s.r.l	SF600 and SF600A.
Sikorsky Aircraft Corporation	S-76A.
Vulcanair S.p.A	AP68TP 300, and AP68TP 600.

Unsafe Condition

(d) This AD is prompted by the discovery that several part numbers (P/Ns) of fuel nozzles were inadvertently left out of AD 2004-24-09. That AD, as worded, allows certain P/N fuel nozzles back into service. Those fuel nozzles must not be allowed back into service. We are issuing this AD to

minimize the risk of sudden loss of engine power and uncommanded shutdown of the engine due to fuel contamination and collapse of the screen in the fuel nozzle.

Compliance

(e) You are responsible for having the actions required by this AD performed within

the compliance times specified unless the actions have already been done.

(f) Perform a onetime inspection of the screens in fuel nozzles as follows:

(1) For fuel nozzles with a P/N listed in Table 3 of this AD, inspect the screen for contamination within 50 operating hours after the effective date of this AD.

TABLE 3.—FUEL NOZZLES TO BE INSPECTED WITHIN 50 OPERATING HOURS

Manufacturer	P/N	Corresponding RRC vendor P/N
RRC	6874959	5232815
	6894610	5233465
	6898531	5233585
Goodrich Delavan (Parts Manufacturer Approval (PMA))	47069	N/A
	47101	N/A
	49445	N/A

(2) For fuel nozzles with a P/N listed in Table 4 of this AD, inspect the screen for

contamination within 150 operating hours after January 5, 2005.

TABLE 4.—FUEL NOZZLES TO BE INSPECTED WITHIN 150 OPERATING HOURS

Manufacturer	P/N	Corresponding RRC vendor P/N
RRC	6852020	5232480
	6890917	5233333
	6899001	5233600

(g) If you find contamination on the screen, inspect and clean the entire aircraft fuel system before further flight.

(h) At the next fuel nozzle overhaul after the effective date of this AD, do the following:

(1) Remove from service fuel nozzles listed in Table 3 and Table 4 of this AD.

(2) Replace with a serviceable fuel nozzle.

Definition

(i) For the purposes of this AD, a serviceable fuel nozzle is defined as a nozzle that has a P/N not specified in, or addressed by, this AD.

Previous Credit

(j) Previous credit is given for onetime inspections of fuel nozzles, RRC P/Ns

6852020, 6890917, and 6899001 using AD 2004-24-09.

Alternative Methods of Compliance

(k) The Manager, Chicago Aircraft Certification Office, has the authority to approve alternative methods of compliance for this AD if requested using the procedures found in 14 CFR 39.19.

Related Information

(I) Information related to the subject of this AD can be found in Rolls-Royce Corporation Alert Commercial Engine Bulletins (CEBs), all at Revision 1, and all dated August 30, 2004, listed in the following Table 5:

TABLE 5.—RELATED ALERT
COMMERCIAL ENGINE BULLETINS

CEB-A-313	CEB-A-73-5029
CEB-A-73-2075	CEB-A-73-6041
CEB-A-1394	TP CEB-A-183
CEB-A-73-3118	TP CEB-A-1336
CEB-A-73-4056	TP CEB-A-73-2032

Issued in Burlington, Massachusetts, on July 27, 2006.

Francis A. Favara,

*Manager, Engine and Propeller Directorate,
Aircraft Certification Service.*

[FR Doc. E6-12420 Filed 8-2-06; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 510 and 529

New Animal Drugs; Change of Sponsor; Isoflurane

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect a change of sponsor for an abbreviated new animal drug application (ANADA) for isoflurane, U.S.P., from Rhodia UK Ltd. to Nicholas Piramal India Ltd. UK.

DATES: This rule is effective August 3, 2006.

FOR FURTHER INFORMATION CONTACT:

David R. Newkirk, Center for Veterinary Medicine (HFV-100), Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855, 301-827-6967, e-mail: david.newkirk@fda.hhs.gov.

SUPPLEMENTARY INFORMATION: Rhodia UK Ltd., P.O. Box 46, St. Andrews Rd., Avonmouth, Bristol BS11 9YF, England, UK, has informed FDA that it has transferred ownership of, and all rights and interest in, ANADA 200-237 for isoflurane, U.S.P., to Nicholas Piramal India Ltd. UK, 1st Floor, Alpine House, Unit II, Honeypot Lane, London, NW99RX, England, UK. Accordingly, the regulations are amended in 21 CFR 529.1186 to reflect this change of sponsorship and a current format.

Following these changes of sponsorship, Rhodia UK Ltd. is no longer the sponsor of an approved application. In addition, Nicholas Piramal India Ltd. UK is not currently listed in the animal drug regulations as a sponsor of an approved application. Accordingly, 21 CFR 510.600(c) is being amended to remove the entries for Rhodia UK Ltd. to add entries for Nicholas Piramal India Ltd. UK.

This rule does not meet the definition of “rule” in 5 U.S.C. 804(3)(A) because it is a rule of “particular applicability.” Therefore, it is not subject to the congressional review requirements in 5 U.S.C. 801-808.

List of Subjects

21 CFR Part 510

Administrative practice and procedure, Animal drugs, Labeling, Reporting and recordkeeping requirements.

21 CFR Part 529

Animal drugs.

■ Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, 21 CFR parts 510 and 529 are amended as follows:

PART 510—NEW ANIMAL DRUGS

■ 1. The authority citation for 21 CFR part 510 continues to read as follows:

Authority: 21 U.S.C. 321, 331, 351, 352, 353, 360b, 371, 379e.

■ 2. In § 510.600, in the table in paragraph (c)(1), alphabetically add an entry for “Nicholas Piramal India Ltd. UK” and remove the entry for “Rhodia UK Limited”; and in the table in paragraph (c)(2) remove the entry for “059258” and numerically add an entry for “066112” to read as follows:

§ 510.600 Names, addresses, and drug labeler codes of sponsors of approved applications.

* * * * *

(c) * * *

(1) * * *

Firm name and address	Drug labeler code
* * *	* * *
Nicholas Piramal India Ltd. UK, 1st Floor, Alpine House, Unit II, Honeypot Lane, London, NW99RX, England, UK.	066112
* * *	* * *

(2) * * *

Drug labeler code	Firm name and address
* * *	* * *
066112	Nicholas Piramal India Ltd. UK, 1st Floor, Alpine House, Unit II, Honeypot Lane, London, NW99RX, England, UK
* * *	* * *

PART 529—OTHER DOSAGE FORM NEW ANIMAL DRUGS

■ 3. The authority citation for 21 CFR part 529 continues to read as follows:

Authority: 21 U.S.C. 360b.

■ 4. In § 529.1186, in paragraph (b), remove “059258” and numerically add “066112”; and revise paragraph (a), the introductory text of paragraph (c), and paragraph (c)(3) to read as follows:

§ 529.1186 Isoflurane.

(a) *Specifications.* The drug is a clear, colorless, stable liquid.

* * * * *

(c) *Conditions of use.* Administer by inhalation:

* * * * *

(3) *Limitations.* Do not use in horses intended for human consumption. Federal law restricts this drug to use by or on the order of a licensed veterinarian.

Dated: July 24, 2006.

Bernadette A. Dunham,

*Deputy Director, Office of New Animal Drug
Evaluation, Center for Veterinary Medicine.*

[FR Doc. E6-12570 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 520

Oral Dosage Form New Animal Drugs; Kanamycin, Bismuth Subcarbonate, Activated Attapulgit

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule; technical amendment.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to remove inactive ingredients from the specifications for an oral suspension and for tablets containing kanamycin, bismuth subcarbonate, and activated attapulgit; and to consolidate and reformat these sections. These actions are being taken to improve the accuracy

and readability of the animal drug regulations.

DATES: *This rule is effective August 3, 2006.*

FOR FURTHER INFORMATION CONTACT:

George K. Haibel, Center for Veterinary Medicine (HFV-6), Food and Drug Administration, 7519 Standish Pl., Rockville, MD 20855, 301-827-4567, e-mail: george.haibel@fda.hhs.gov.

SUPPLEMENTARY INFORMATION: FDA is amending the animal drug regulations in part 520 (21 CFR part 520) in §§ 520.1204 and 520.1205 to remove aminopentamide hydrogen sulfate and pectin from the specifications for an oral suspension and for tablets containing kanamycin, bismuth subcarbonate, and activated attapulgit. These ingredients have been declared inactive or have been removed from the formulations. In addition, these sections are being reformatted and consolidated. These actions are being taken to improve the accuracy and readability of the animal drug regulations.

This rule does not meet the definition of "rule" in 5 U.S.C. 804(3)(A) because it is a rule of "particular applicability." Therefore, it is not subject to the congressional review requirements in 5 U.S.C. 801-808.

List of Subjects in 21 CFR Part 520

Animal drugs.

■ Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, 21 CFR part 520 is amended as follows:

**PART 520—ORAL DOSAGE FORM
NEW ANIMAL DRUGS**

■ 1. The authority citation for 21 CFR part 520 continues to read as follows:

Authority: 21 U.S.C. 360b.

■ 2. In § 520.1204, revise the section heading and paragraphs (a) and (c) to read as follows:

§ 520.1204 Kanamycin, bismuth subcarbonate, activated attapulgit.

(a) *Specifications*—(1) Each 5 milliliters (mL) of suspension contains 100 milligrams (mg) kanamycin (as the sulfate), 250 mg bismuth subcarbonate, and 500 mg activated attapulgit (aluminum magnesium silicate).

(2) Each tablet contains 100 mg kanamycin (as the sulfate), 250 mg bismuth subcarbonate, and 500 mg activated attapulgit.

* * * * *

(c) *Conditions of use in dogs*—(1) *Amount.* 5 mL of suspension or 1 tablet per 20 pounds body weight every 8

hours. Maximum dose: 5 mL of suspension or 3 tablets every 8 hours. Dogs under 10 pounds: 2.5 mL of suspension or 1/2 tablet every 8 hours. A recommended initial loading dose should be twice the amount of a single dose.

(2) *Indications for use.* For the treatment of bacterial enteritis caused by organisms susceptible to kanamycin and the symptomatic relief of the associated diarrhea.

(3) *Limitations.* Federal law restricts this drug to use by or on the order of a licensed veterinarian.

§ 520.1205 [Removed]

■ 3. Remove § 520.1205.

Dated: July 21, 2006.

Daniel G. McChesney,

Director, Office of Surveillance and Compliance, Center for Veterinary Medicine.

[FR Doc. E6-12568 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-02-S

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9279]

RIN 1545-BF86

Reporting Rules for Widely Held Fixed Investment Trusts

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and Temporary regulations.

SUMMARY: This document contains final and temporary regulations amending § 1.671-5, a provision which provides reporting rules for widely held fixed investment trusts (WHFITs). These regulations clarify and simplify reporting for trustees and middlemen of non-mortgage widely held fixed investment trusts (NMWHFITs). The text of these final and temporary regulations also serves, in part, as the text of the proposed regulations set forth in the notice of proposed rulemaking (REG-125071-06) on this subject in this issue of the **Federal Register**.

DATES: *Effective Date:* These regulations are effective July 28, 2006.

Applicability Date: For dates of applicability see § 1.671-5(m).

FOR FURTHER INFORMATION CONTACT:

Faith Colson, 202-622-3060 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

These final and temporary regulations amend § 1.671-5. The collection of information contained in these regulations is in § 1.671-5 and has been previously reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) under control number 1545-1540. Response to this collection of information is mandatory. This information is required to be reported to beneficial owners of trust interests to enable them to correctly report their share of the items of income, deduction, and credit of the WHFIT in which they have invested. This information is also required to be reported to the IRS to enable the IRS to verify that trustees and middlemen are accurately reporting information to beneficial owners of trust interests and that beneficial owners are properly reporting their ownership of a trust interest.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

Books or records relating to a collection of information must be retained as long as their contents might become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Background

This document contains amendments to 26 CFR part 1. On January 24, 2006, the Internal Revenue Service (IRS) and the Treasury Department published final regulations (TD 9241) (final regulations) under § 1.671-5 in the **Federal Register** (71 FR 4002) providing reporting rules for WHFITs. On February 23, 2006, in response to comments received subsequent to the publication of the final regulations, the IRS and the Treasury Department issued Notice 2006-29 (2006-12 I.R.B. 644). Notice 2006-29 informed trustees and middlemen of NMWHFITs that § 1.671-5 would be amended to extend the availability of the qualified NMWHFIT exception (discussed in section I) beyond February 23, 2006, the cut-off date provided in the final regulations for funding a NMWHFIT that satisfied the exception, and to clarify the application of certain provisions in the final regulations to NMWHFITs. On May 25, 2006, the IRS and Treasury Department issued Notice 2006-30 (2006-24 I.R.B. 1044) stating that the IRS and the

Treasury Department expected to issue the additional guidance under § 1.671–5 discussed in Notice 2006–29 in the near future but that such guidance would not be issued prior to the expiration of the extended cut-off date for the qualified NMWHFIT exception in Notice 2006–29. Accordingly, Notice 2006–30 extended the cut-off date for the availability of the qualified NMWHFIT exception in Notice 2006–29 for an additional 60 days. These temporary regulations extend the availability of the qualified NMWHFIT exception to the dates provided in Notice 2006–30 and clarify the NMWHFIT reporting rules as described in Notice 2006–29. These temporary regulations also simplify the application of § 1.671–5 as it applies to NMWHFIT sales and dispositions as well as sales or redemptions of trust interests in an equity trust (a trust, substantially all of whose income is comprised of dividends).

Summary and Explanation of Revisions

I. The Qualified NMWHFIT Exception

In general, under the final regulations, trustees and middlemen of NMWHFITs are required to report information regarding market discount, bond premium, sales and dispositions of trust assets, redemptions, and sales of trust interests. Trustees and middlemen of NMWHFITs that satisfy the qualified NMWHFIT exception in § 1.671–5(c)(2)(iv)(E) are, however, excepted from reporting market discount and bond premium and are permitted to use the simplified reporting rules for sales and dispositions of trust assets in § 1.671–5(c)(2)(iv)(B) and the simplified reporting rules for sales or redemptions of trust interests in § 1.671–5(c)(2)(v)(C). As provided in Notice 2006–29 and subsequently modified in Notice 2006–30, § 1.671–5T(c)(2)(iv)(E) of these final and temporary regulations provides that the qualified NMWHFIT exception is satisfied if the calendar year for which the trustee is reporting begins before January 1, 2011, and the NMWHFIT meets any of the following requirements: (1) The NMWHFIT has a start-up date as defined in § 1.671–5(b)(19) before February 23, 2006; (2) the registration statement for the NMWHFIT becomes effective under the Securities Act of 1933 (15 U.S.C. 77a) (Securities Act of 1933) and trust interests are offered for sale to the public before February 23, 2006; or (3) the registration statement of the NMWHFIT becomes effective under the Securities Act of 1933 and trust interests are offered for sale to the public on or after February 23 and before July 31,

2006, and the NMWHFIT is fully funded before October 1, 2006. The IRS and the Treasury Department have also received comments suggesting that the January 1, 2011 cut-off date be extended or eliminated. The IRS and the Treasury Department are not adopting that suggestion.

II. Availability of the NMWHFIT Safe Harbor

Section 1.671–5(f) provides a reporting safe harbor for NMWHFITs. If trustees and middlemen report consistently with the safe harbor, trustees and middlemen are deemed to have provided information in a manner that enables a trust interest holder to reasonably accurately report the items of income, deduction, and credit of the trust on the trust interest holder's own federal income tax return. Section 1.671–5(f)(1)(i) provides that if substantially all of a NMWHFIT's income is from dividends (as defined in section 6042(b) and the regulations thereunder) or interest (as defined in section 6049(b) and the regulations thereunder) and all trust interests have identical value and rights, a NMWHFIT may report under the safe harbor in § 1.671–5(f). Commentators have expressed concern that, if a trustee of a NMWHFIT must sell or dispose of a significant number of trust assets and trust sales proceeds are included in the determination of whether “substantially all” of a trust's income is from interest or dividends, the NMWHFIT will be ineligible for the safe harbor reporting rules in § 1.671–5(f). To address this concern, § 1.671–5T(f)(1)(i) of the final and temporary regulations provides that trust sales proceeds are to be ignored in determining whether a NMWHFIT is eligible to report under the NMWHFIT safe harbor in § 1.671–5(f). Accordingly, a NMWHFIT may be eligible to report under the NMWHFIT safe harbor even if it has significant trust sales proceeds from the sale or disposition of trust assets.

Commentators also noted that § 1.671–5(f)(1)(i)(1) refers to section 6049(b) and the definition of interest in section 103 of the Internal Revenue Code. These commentators were concerned that if a NMWHFIT's income is from tax-exempt interest, the NMWHFIT would not be eligible to report under the NMWHFIT safe harbor reporting rules. To address this concern, § 1.671–5T(f)(1)(i)(A)(1) of the final and temporary regulations does not refer to sections 6042(b) and 6049(b) and the regulations thereunder. Accordingly, NMWHFITs whose income is from

tax-exempt interest, may be eligible to report under the NMWHFIT safe harbor reporting rules.

III. Simplified Reporting of Sales and Redemptions of Trust Interests for Equity Trusts

Section 1.671–5(c)(2)(v) requires trustees and middlemen to provide information regarding the income that is attributable to a redeeming, selling or purchasing beneficial owner up to the date of the sale or redemption of a trust interest. Section 1.671–5(c)(2)(v)(C) provides an exception to this rule for NMWHFITs if substantially all their income is comprised of dividends (equity trusts) and the NMWHFIT is required by its governing document to distribute income at least monthly. Commentators reported that some equity trusts do not receive significant dividend income and that it would not be feasible for these trusts to make monthly distributions. These commentators suggested that there be a *de minimis* exception to the requirement that the trust make monthly distributions.

Accordingly, § 1.671–5T(c)(2)(v)(C) provides that a NMWHFIT will be considered to have satisfied the requirement that it make monthly distributions notwithstanding the fact that, although the governing document requires monthly distributions, the governing document of the NMWHFIT also permits the trustee to forego making its normally required monthly distribution if the cash held for distribution is less than 0.1% of the net asset value of the trust (aggregate fair market value of the trust's assets less the trust's liabilities) as of the date that the amount of the monthly distribution is required to be determined. Commentators suggested various other modifications to the § 1.675(c)(2)(v)(C) exception; however, the IRS and Treasury Department believe that the modification adopted above addresses the majority of the commentators' concerns while maintaining the integrity of the reporting information to be provided under § 1.671–5.

Similar to the “substantially all” test for eligibility to use the NMWHFIT safe harbor discussed in section II above, commentators have expressed concern that if a NMWHFIT has significant sales and dispositions and trust sales proceeds are included for the purpose of determining if “substantially all” of the NMWHFIT's income is from dividends, then the NMWHFIT will not qualify for this exception even though the NMWHFIT only holds assets that produce dividend income. To address this concern, § 1.671–5T(c)(2)(v)(C) of

the final and temporary regulations provides that proceeds received by a NMWHFIT from the sale or disposition of trust assets are to be ignored for the purpose of determining whether an equity trust is eligible to report under that paragraph.

IV. Simplified Reporting for Certain NMWHFIT Sales and Dispositions

In addition to the qualified NMWHFIT exception, the final regulations provide that the trustees of NMWHFITs that meet the general *de minimis* test in § 1.671-5(c)(2)(iv)(D)(1) are only required, under § 1.671-5(c)(2)(iv)(B), to provide information regarding the amount of trust sales proceeds distributed to a trust interest holder. The reason for the *de minimis* exception, as stated in the preamble to the final regulations, is that the IRS and the Treasury Department believe that if a NMWHFIT only sells or disposes of assets infrequently, although there will be some deferral of gains and losses if sales and dispositions are not fully reported, the deferral is acceptable, in light of the burden of fully, accurately reporting the sales and dispositions.

Commentators reported that trustees of NMWHFITs frequently have to sell trust assets to obtain cash to effect redemptions. These commentators indicated that because of certain securities laws, trustees of many NMWHFITs must redeem trust interests every time an interest is tendered for redemption. Trustees have no control over the number of trust interests tendered for redemption and as a result, have no control over the number of corresponding sales of trust assets to obtain cash for these redemptions. Because of these sales to effect redemptions, many NMWHFITs will also not be able to meet the general *de minimis* test in § 1.671-5(c)(2)(iv)(D)(1). If a NMWHFIT does not meet the general *de minimis* test, trustees and middlemen must provide information regarding the amount of trust sales proceeds that are attributable to a trust interest holder, and information that will enable a trust interest holder to allocate with reasonable accuracy a portion of its basis and a portion of its market discount or premium to the assets sold. Commentators indicated that, under the final regulations, a significant number of NMWHFITs do not qualify for the reduced reporting in § 1.671-5(c)(2)(iv)(B) and that as a result, many investors will be provided with more information than they can accurately process and trustees and middlemen will be subject to the significant reporting costs of supplying this information. These commentators

requested that the final regulations be amended to provide for reduced reporting for other situations in which it will have little or no compliance impact. In response to these comments, the IRS and the Treasury Department provide the following modifications to the sales and disposition reporting rules for NMWHFITs in the final regulations:

1. NMWHFIT Final Calendar Year Exception

Commentators requested that the IRS and Treasury Department extend the simplified reporting in § 1.671-5(c)(2)(iv)(B) to the final calendar year of a NMWHFIT regardless of whether the *de minimis* test or the qualified NMWHFIT exception is satisfied. The commentators reported that for a significant number of NMWHFITs, 95% of a trustee's sales of assets to effect redemptions occur during the last three months of the NMWHFIT. The commentators asserted that there would not be significant deferral of gains or losses on sales or dispositions of assets by NMWHFITs in their final calendar year if information regarding the sales and dispositions of trust assets during these final months were not communicated to non-redeeming trust interest holders because the non-redeeming trust interest holders would be cashing out their investment during that calendar year. Accordingly, § 1.671-5T(c)(2)(iv)(F) of the final and temporary regulations provide that all NMWHFITs qualify for the simplified reporting in § 1.671-5T(c)(2)(iv)(B) in the final calendar year of the NMWHFIT, regardless of whether the NMWHFIT has otherwise satisfied the *de minimis* test, provided that a trust interest holder cannot roll-over its investment in the NMWHFIT to another WHFIT.

2. Pro-Rata Sale Exception

Commentators also requested that pro-rata sales of trust assets be excepted from reporting. The commentators contended that trustees generally sell a redeeming trust interest holder's pro-rata share of the trust assets to effect a redemption so that there is no change in the investments of the non-redeeming trust interest holders and therefore little or no compliance benefit of reporting to the non-redeeming trust interest holders. Accordingly, the commentators requested that pro-rata sales of trust assets to effect redemptions be excepted from the reporting requirements of § 1.671-5(c)(2)(iv).

In response to this request, § 1.671-5T(c)(2)(iv)(G) of the final and temporary regulations provides that a pro-rata sale of a trust asset to effect a

redemption is not required to be reported under § 1.671-5. A pro-rata sale of a trust asset occurs when (1) a trust interest holder tenders one or more trust interests for redemption; (2) the trustee sells the pro-rata share of a trust asset that is deemed to be owned by the trust interest holder as a result of the trust interest holder's ownership of the trust interest or interests tendered for redemption; (3) the trustee engages in the sale solely to obtain cash that is immediately distributed to the redeeming trust interest holder as a result of the redemption; and (4) the redemption is reported as required under § 1.671-5(c)(2)(v).

Commentators strongly urged the IRS and the Treasury Department to except NMWHFITs with a duration of no more than 15 months and that span no more than two calendar years (short-term NMWHFITs) from all reporting of sales and dispositions of trust assets. The IRS and the Treasury Department believe that the NMWHFIT final year exception, discussed in section IV(1), adequately provides reporting relief for most short-term NMWHFITs for the sales and dispositions of trust assets to effect redemptions that a trustee must make during the final three months of the NMWHFIT. Further, § 1.671-5T(b)(21) provides an amended definition of trust sales proceeds excluding the gross proceeds paid to a NMWHFIT for a *pro-rata* sale of a trust asset to effect a redemption from the definition of trust sales proceeds. The effect of this change in the definition of trust sales proceeds is to exclude the proceeds from a *pro-rata* sale of a trust asset to effect a redemption when determining whether a trust has met the *de minimis* test. Since only the proceeds from non *pro-rata* sales of trust assets are considered for purposes of determining whether a NMWHFIT meets the *de minimis* test, more trusts will meet the *de minimis* test and qualify for the reduced reporting in § 1.671-5T(c)(2)(iv)(B). The IRS and the Treasury Department believe that the combined application of the pro-rata sales exception, the revised definition of trust sales proceeds, and the *de minimis* test adequately address the commentators' concerns regarding sales and dispositions of trust assets by trustees of short-term NMWHFITs during the first year of the trust.

Commentators also suggested that there be a reporting exception for when a trustee engages in a non pro-rata sale of a trust asset because the redeeming trust interest holder is only deemed to own a fractional share of a trust asset or because market conditions or restrictions prevent a pro-rata sale of a trust asset. The IRS and the Treasury

Department believe that this issue is also adequately addressed by the combined application of the pro-rata sale exception, the revised definition of trust sales proceeds and the *de minimis* test.

Effective Date

These amendments are effective July 28, 2006. The amendments are applicable to the reporting required under § 1.671–5 as of January 1, 2007 (see § 1.671–5(m)) and will be applied as though these amendments were included in TD 9241.

Special Analysis

These regulations are necessary to provide trustees and middlemen of NMWHFITs with immediate guidance on the application of the final regulations so they can take measures necessary to be able to comply with the final regulations on their January 1, 2007, effective date. Additionally, the IRS and the Treasury Department have published Notice 2006–29 and Notice 2006–30 indicating that § 1.671–5 would be amended as provided in these temporary regulations and received comments regarding the application of § 1.671–5 from trustees and middlemen of NMWHFITs. Accordingly, good cause is found for dispensing with notice and public comment pursuant to 5 U.S.C. 553(b)(3). The final and temporary regulations are applicable more than 30 days after they are published in the **Federal Register** and accordingly, no exemption is required under 5 U.S.C. 553(d). For the applicability of the Regulatory Flexibility Act (5 U.S.C. chapter 6) refer to the Special Analysis section of the preamble to the cross-referenced notice of proposed rulemaking published in this issue of the **Federal Register**. Pursuant section 7805(f) of the Code, these final and temporary regulations will be submitted to the Chief Counsel for Advocacy of Small Business Administration for comment on its impact on small business.

Drafting Information

The principal author of these regulations is Faith Colson, Office of Associate Chief Counsel (Passthroughs & Special Industries). However, other personnel from the IRS and the Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Amendments to the Regulations

■ Accordingly, 26 CFR part 1 is amended as follows:

PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 continues to read, in part, as follows:

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

■ **Par. 2.** Section 1.671–5 is amended by:

■ 1. Revising paragraphs (b)(5), (b)(8), and (b)(21)

■ 2. Revising paragraphs (c)(2)(iv), (v)(C), (vi), and (vii)

■ 3. Revising paragraphs (f)(1)(i)(A) and (viii)(A)

The revisions read as follows:

§ 1.671–5 Reporting for widely held fixed investment trusts.

* * * * *

(b) * * *

(5) [Reserved.] For further guidance, see § 1.671–5T(b)(5).

* * * * *

(8) [Reserved.] for further guidance, see § 1.671–5T(b)(8).

* * * * *

(21) [Reserved.] For further guidance, see § 1.671–5T(b)(21).

* * * * *

(c) * * *

(2) * * *

(iv) [Reserved.] For further guidance, see § 1.671–5T(c)(2)(iv).

(v) * * *

(C) [Reserved.] For further guidance, see § 1.671–5T(c)(2)(v)(C).

(vi) [Reserved.] For further guidance, see § 1.671–5T(c)(2)(vi).

(vii) [Reserved.] For further guidance, see § 1.671–5T(c)(2)(vii).

* * * * *

(f) * * *

(1) * * *

(i) * * *

(A) [Reserved] For further guidance, see § 1.671–5T(f)(1)(i)(A).

* * * * *

(viii) * * *

(A) [Reserved.] For further guidance, see § 1.671–5T(f)(1)(viii).

■ **Par. 3.** Section 1.671–5T is added to read as follows:

§ 1.671–5T Reporting for widely held fixed investment trusts (temporary).

(a) Through (b)(4) [Reserved.] For further guidance, see § 1.671–5(a) through (b)(4).

(5) The *cash held for distribution* is the cash held by the WHFIT (other than trust sales proceeds and proceeds from sales described in paragraph (c)(2)(iv)(G) of this section) less reasonably required

reserve funds as of the date that the amount of a distribution is required to be determined under the WHFIT's governing document.

(b)(6) and (b)(7) [Reserved.] For further guidance, see § 1.671–5(b)(6) and (b)(7).

(8) An *in-kind redemption* is a redemption in which a beneficial owner receives a pro-rata share of each of the assets of the WHFIT that the beneficial owner is deemed to own under section 671. For example, for purposes of this paragraph (b)(8), if beneficial owner A owns a one percent interest in a WHFIT that holds 100 shares of X corporation stock, so that A is considered to own a one percent interest in each of the 100 shares, A's pro-rata share of the X corporation stock for this purpose is one share of X corporation stock.

(b)(9) through (b)(20) [Reserved.] For further guidance, see § 1.671–5(b)(9) through (b)(20).

(21) *Trust sales proceeds* equal the amount paid to a WHFIT for the sale or disposition of an asset held by the WHFIT, including principal payments received by the WHFIT that completely retire a debt instrument (other than a final scheduled principal payment) and pro-rata partial principal prepayments described under § 1.1275–2(f)(2). Trust sales proceeds do not include amounts paid for any interest income that would be required to be reported under § 1.6045–1(d)(3). Trust sales proceeds also do not include amounts paid to a NMWHFIT as the result of a pro-rata sales of trust assets to effect a redemption described in paragraph (c)(2)(iv)(G) of this section.

(b)(22) through (c)(2)(iii) [Reserved.] For further guidance, see § 1.671–5(b)(22) through (c)(2)(iii).

(iv) *Asset sales and dispositions.* The trustee must report information regarding sales and dispositions of WHFIT assets as required in this paragraph (c)(2)(iv). For purposes of this paragraph (c)(2)(iv), a payment (other than a final scheduled payment) that completely retires a debt instrument (including a mortgage held by a WHMT) or a pro-rata prepayment on a debt instrument (see § 1.1275–2(f)(2)) held by a WHFIT must be reported as a full or partial sale or disposition of the debt instrument. A pro-rata sale of a trust asset to effect a redemption, as defined in paragraph (c)(2)(iv)(G) of this section, is not reported as a sale or disposition under this paragraph (c)(2)(iv).

(A) *General rule.* Except as provided in paragraph (c)(2)(iv)(B) of this section (regarding the exception for certain NMWHFITs) or paragraph (c)(2)(iv)(C) (regarding the exception for certain WHMTs) of this section, the trustee

must report with respect to each sale or disposition of a WHFIT asset—

(1) The date of each sale or disposition;

(2) Information that enables a requesting person to determine the amount of trust sales proceeds (as defined in paragraph (b)(21) of this section) attributable to a beneficial owner as a result of each sale or disposition; and

(3) Information that enables a beneficial owner to allocate, with reasonable accuracy, a portion of the owner's basis in its trust interest to each sale or disposition.

(B) *Exception for certain NMWHFITs.* If a NMWHFIT meets either the general WHFIT *de minimis* test of paragraph (c)(2)(iv)(D)(1) of this section for a calendar year, the qualified NMWHFIT exception of paragraph (c)(2)(iv)(E) of this section, or the NMWHFIT final calendar year exception of paragraph (c)(2)(iv)(F) of this section, the trustee is not required to report under paragraph (c)(2)(iv)(A) of this section. Instead, the trustee must report sufficient information to enable a requesting person to determine the amount of trust sales proceeds distributed to a beneficial owner during the calendar year with respect to each sale or disposition of a trust asset. The trustee also must provide requesting persons with a statement that the NMWHFIT is permitted to report under this paragraph (c)(2)(iv)(B).

(C) *Exception for certain WHMTs.* If a WHMT meets either of the *de minimis* tests of paragraph (c)(2)(iv)(D) of this section for the calendar year, the trustee is not required to report under paragraph (c)(2)(iv)(A) of this section. Instead, the trustee must report information to enable a requesting person to determine the amount of trust sales proceeds attributable to a beneficial owner as a result of the sale or disposition. The trustee also must provide requesting persons with a statement that the WHMT is permitted to report under this paragraph (c)(2)(iv)(C).

(D) *De minimis tests—(1) General WHFIT de minimis test.* The general WHFIT *de minimis* test applies to a NMWHFIT or to a WHMT that does not meet the requirements for the special WHMT test in paragraph (c)(2)(iv)(D)(2) of this section. The general WHFIT *de minimis* test is satisfied if trust sales proceeds for the calendar year are not more than five percent of the net asset value of the trust (aggregate fair market value of the trust's assets less the trust's liabilities) as of the later of January 1 of that year or the trust's start-up date (as defined in § 1.671-5(b)(19)).

(2) *Special WHMT de minimis test.* A WHMT that meets the asset requirement of § 1.671-5(g)(1)(ii)(E) satisfies the special WHMT *de minimis* test in this paragraph (c)(2)(iv)(D)(2) if trust sales proceeds for the calendar year are not more than five percent of the aggregate outstanding principal balance of the WHMT (as defined in § 1.671-5(g)(1)(iii)(D)) as of the later of January 1 of that year or the trust's start-up date. For purposes of applying the special WHMT *de minimis* test in this paragraph (c)(2)(iv)(D)(2), amounts that result from the complete or partial payment of the outstanding principal balance of the mortgages held by the trust are not included in the amount of trust sales proceeds.

(3) *Effect of clean-up call.* If a WHFIT fails to meet either *de minimis* test described in this paragraph (c)(2)(iv)(D) solely as the result of a clean-up call, as defined in § 1.671-5(b)(6), the WHFIT will be treated as having met the *de minimis* test.

(E) *Qualified NMWHFIT exception.* The qualified NMWHFIT exception is satisfied if the calendar year for which the trustee is reporting begins before January 1, 2011 and—

(1) The NMWHFIT has a start-up date (as defined in § 1.671-5(b)(19)) before February 23, 2006;

(2) The registration statement of the NMWHFIT becomes effective under the Securities Act of 1933, as amended (15 U.S.C. 77a, *et seq.*) and trust interests are offered for sale to the public before February 23, 2006; or

(3) The registration statement of the NMWHFIT become effective under the Securities Act of 1933 and trust interests are offered for sale to the public on or after February 23, 2006, and before July 31, 2006, and the NMWHFIT is fully funded before October 1, 2006.

(F) *NMWHFIT final calendar year exception.* The NMWHFIT final calendar year exception is satisfied if—

(1) The NMWHFIT terminates on or before December 31 of the year for which the trustee is reporting;

(2) A trust interest holder may not roll-over its investment in the NMWHFIT to another WHFIT; and

(3) The trustee makes reasonable efforts to engage in pro-rata sales of trust assets to effect redemptions.

(G) *Pro-rata sales of trust assets to effect a redemption—(1) Definition.* A pro-rata sale of a trust asset to effect a redemption is not required to be reported under this paragraph (c)(2)(iv). A pro-rata sale of a trust asset to effect a redemption occurs when a—

(i) A trust interest holder tenders one or more trust interests for redemption;

(ii) The trustee sells the pro-rata share of the trust asset that is deemed to be owned by the trust interest holder under section 671 as a result of the trust interest holder's ownership of the trust interest or interests tendered for redemption (See paragraph (b)(8) of this section for a description of how pro-rata is to be applied for purposes of this paragraph (c)(2)(iv)(G));

(iii) The trustee engages in the sale solely to obtain cash that is immediately distributed to the redeeming trust interest holder as a result of the redemption; and

(iv) The redemption is reported as required under § 1.671-5(c)(2)(v) by the trustee.

(2) *Example.* The following example illustrates the definition of a pro-rata sale of a trust asset to effect a redemption:

Example: Trust has two hundred trust interests and all interests have equal value and rights. Trust owns two hundred shares of stock in corporation X, two hundred shares of stock in corporation Y, and one hundred shares of stock in corporation Z. C owns one trust interest and tenders it for redemption. To obtain cash for the redemption, the trustee of Trust sells one share of each of the X and Y stock and one share of Z stock. Trustee immediately distributes the proceeds from the sale of the X and the Y stock, as well as 50% of the proceeds from the sale of the Z stock to C as redemption proceeds. Trustee will report the redemption under § 1.671-5(c)(2)(v). The sale of the share of X stock and the sale of the share of Y stock are each a pro-rata sale of a trust asset to effect a redemption and are not required to be reported under this paragraph (c)(2)(iv)(G). The proceeds from the sale of the X stock and the Y stock are not trust sales proceeds under paragraph (b)(21) of this section and are not included for the purpose of determining whether Trust meets the *de minimis* test. The sale of the Z stock, because it was not a sale of the pro-rata share of the trust asset that is treated as owned by C is not a pro-rata sale of a trust asset to effect a redemption and is required to be reported as provided under paragraph (c)(2)(iv)(A) or (B) of this section, whichever is applicable. The proceeds from the sale of the Z stock are trust sales proceeds under paragraph (b)(21) of this section and included for the purpose of determining whether Trust meets the *de minimis* test in paragraph (c)(2)(iv)(D)(1) of this section.

(c)(2)(v)(A) and (B) [Reserved.] For further guidance, see § 1.671-5(c)(2)(v)(A) and (B).

(C) *Exception for certain NMWHFITs with dividend income—(1) In general.* The trustee of a NMWHFIT described in paragraph (c)(2)(v)(C)(2) of this section is not required to report the information described in § 1.671-5(c)(2)(v)(A) (regarding redemptions) or (c)(2)(v)(B) (regarding sales). However, the trustee must report to requesting persons, for

each date on which the amount of redemption proceeds to be paid for the redemption of a trust interest is determined, information that will enable requesting persons to determine the redemption proceeds per trust interest on that date. The trustee also must provide requesting persons with a statement that this paragraph applies to the NMWHFIT.

(2) *NMWHFITs that qualify for the exception.* This paragraph (c)(2)(v)(C) applies to a NMWHFIT if substantially all the income of the NMWHFIT consists of dividends (as defined in section 6042(b) and the regulations thereunder) and the NMWHFIT satisfies either paragraph (c)(2)(v)(C)(2)(i) or (ii) of this section. Trust sales proceeds and gross proceeds from a sale described in paragraph (c)(2)(iv)(G) of this section are ignored for the purpose of determining if substantially all of a NMWHFIT's income consists of dividends.

(i) The trustee is required by the governing document of the NMWHFIT to determine and distribute all cash held for distribution (as defined in paragraph (b)(5) of this section) no less frequently than monthly. A NMWHFIT will be considered to have satisfied this paragraph (c)(2)(v)(C)(2)(i) notwithstanding that the governing document of the NMWHFIT permits the trustee to forego making a required monthly or more frequent distribution, if the cash held for distribution is less than 0.1% of the aggregate net asset value of the trust as of the date specified in the governing document for calculating the amount of the monthly distribution.

(ii) The qualified NMWHFIT exception of paragraph (c)(2)(iv)(E) of this section is satisfied.

(vi) *Information regarding bond premium.* The trustee generally must report information that enables a beneficial owner to determine, in any manner that is reasonably consistent with section 171, the amount of the beneficial owner's amortizable bond premium, if any, for each calendar year. However, if a NMWHFIT meets the general *de minimis* test of paragraph (c)(2)(iv)(D)(1) of this section, the qualified NMWHFIT exception of paragraph (c)(2)(iv)(E) of this section, or the NMWHFIT final calendar year exception of paragraph (c)(2)(iv)(F) of this section, the trustee of such NMWHFIT is not required to report information regarding bond premium.

(vii) *Information regarding market discount.* The trustee generally must report information that enables a beneficial owner to determine, in any manner reasonably consistent with section 1276 (including section

1276(a)(3)), the amount of market discount that has accrued during the calendar year. However, if a NMWHFIT meets the general *de minimis* test of paragraph (c)(2)(iv)(D)(1) of this section, the qualified NMWHFIT exception of paragraph (c)(2)(iv)(E) of this section, NMWHFIT final calendar year exception of paragraph (c)(2)(iv)(F) of this section, the trustee of such NMWHFIT is not required to provide information regarding market discount.

(c)(3) through (f)(1)(i) [Reserved.] For further guidance, see § 1.671–5(c)(3) through (e)(4).

(f) *Safe harbor for providing information for certain NMWHFITs—(1) Safe harbor for trustee reporting of NMWHFIT information.* The trustee of a NMWHFIT that meets the requirements of paragraph (f)(1)(i) of this section is deemed to satisfy paragraph (c)(1)(i) of this section, if the trustee calculates and provides WHFIT information in the manner described in this paragraph (f) and provides a statement to a requesting person giving notice that information has been calculated in accordance with this paragraph (f)(1).

(i) *In general—(A) Eligibility to report under this safe harbor.* Only NMWHFITs that meet the requirements set forth in paragraphs (f)(1)(i)(A)(1) and (2) of this section may report under this safe harbor. For purposes of determining whether paragraph (f)(1)(i)(A)(1) of this section is met, trust sales proceeds and gross proceeds from sales described in paragraph (c)(2)(iv)(G) of this section are ignored:

(1) Substantially all of the NMWHFIT's income is from dividends or interest; and

(2) All trust interests have identical value and rights.

(f)(1)(i)(B) through (f)(vii) [Reserved.] For further guidance, see § 1.671–5(f)(1)(i)(B) through (f)(vii).

(viii) *Reporting market discount information under the safe harbor—(A) In general.* If the trustee of a NMWHFIT is required to provide information regarding market discount under paragraph (c)(2)(vii) of this section, the trustee must provide the information required under § 1.671–5(f)(1)(iv)(A)(1)(iii) of this section. If the trustee is not required to provide market discount information under paragraph (c)(2)(vii) of this section (because paragraph (c)(2)(iv) of this section applies to the NMWHFIT), the trustee is not required under this paragraph (f) to provide any information regarding market discount.

(f)(1)(viii)(B) through (m) [Reserved.] For further guidance, see § 1.671–5(f)(1)(viii)(B) through (m).

Mark E. Matthews,

Deputy Commissioner for Services and Enforcement.

Approved: July 28, 2006.

Eric Solomon,

Acting Deputy Assistant Secretary (Tax Policy).

[FR Doc. 06–6649 Filed 7–28–06; 4:15 pm]

BILLING CODE 4830–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[CGD01–06–061]

RIN 1625–AA00

Safety Zone; Lynch Wedding Fireworks Display, Marblehead, MA

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary safety zone for the Lynch Wedding Fireworks display on August 5, 2006 in Marblehead, Massachusetts, temporarily closing all waters of the Atlantic Ocean between Marblehead Neck and Marblehead Rock in the vicinity of Lasque Ledge within a four hundred (400) yard radius of the fireworks barges located at approximate positions 42°30.142' N, 070°49.813' W and 42°30.146' N, 070°49.733' W. This zone is necessary to protect the maritime public from the potential hazards posed by a fireworks display. The safety zone temporarily prohibits entry into or movement within this portion of the Atlantic Ocean during its closure period. Entry into this zone is prohibited unless authorized by the Captain of the Port, Boston, Massachusetts or the COTP's designated representative.

DATES: This rule is effective from 7:30 p.m. until 10 p.m. on August 5, 2006.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket [CGD01–06–061] and are available for inspection or copying at Sector Boston, 427 Commercial Street, Boston, MA, between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Chief Petty Officer Paul English, Sector Boston, Waterways Management Division, at (617) 223–5456.

SUPPLEMENTARY INFORMATION:

Regulatory Information

We did not publish a notice of proposed rulemaking (NPRM) for this regulation. Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing an NPRM because the logistics with respect to the fireworks presentation were not presented to the Coast Guard with sufficient time to draft and publish an NPRM. Any delay encountered in this regulation's effective date would be contrary to the public interest since the safety zone is needed to prevent traffic from transiting a portion of Atlantic Ocean between Marblehead Neck and Marblehead Rock in the vicinity of Lasque Ledge during the fireworks display and to provide for the safety of life on navigable waters.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that for the same reasons good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. The zone should have a minimal negative impact on vessel transits in the Atlantic Ocean between Marblehead Neck and Marblehead Rock in the vicinity of Lasque Ledge because vessels will be excluded from the area for only two and one half hours, and vessels can still safely operate in other areas of the ocean during the event.

Background and Purpose

The Lynch Family is holding a fireworks display to celebrate a wedding. This rule establishes a temporary safety zone on the waters of the Atlantic Ocean between Marblehead Neck and Marblehead Rock in the vicinity of Lasque Ledge within a four hundred (400) yard radius of the fireworks barges located at approximate positions 42°30.142' N, 070°49.813' W and 42°30.146' N, 070°49.733' W. This safety zone is necessary to protect the life and property of the maritime public from the potential dangers posed by this event. It will protect the public by prohibiting entry into or movement within the proscribed portion of the Atlantic Ocean during the fireworks display.

Marine traffic may transit safely outside of the zone during the effective period. The Captain of the Port does not anticipate any negative impact on vessel traffic due to this event. Public notifications will be made prior to and during the effective period via safety marine information broadcasts and Local Notice to Mariners.

Discussion of Rule

This rule is effective from 7:30 p.m. until 10 p.m. on August 5, 2006. Marine traffic may transit safely outside of the

safety zone in the majority of the Atlantic Ocean during the event. Given the limited time-frame of the effective period of the zone, and the actual size of the zone with respect to the amount of navigable water around it, the Captain of the Port anticipates minimal negative impact on vessel traffic due to this event. Public notifications will be made prior to and during the effective period via Local Notice to Mariners and marine information broadcasts.

Regulatory Evaluation

This rule is not a "significant regulatory action" under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order.

We expect the economic impact of this rule to be so minimal that a full Regulatory evaluation is unnecessary. Although this rule will prevent traffic from transiting a portion of the Atlantic Ocean between Marblehead Neck and Marblehead Rock in the vicinity of Lasque Ledge during this event, the effect of this rule will not be significant for several reasons: Vessels will be excluded from the area of the safety zone for only two and one half hours, although vessels will not be able to transit the area in the vicinity of the zone, they will be able to operate in other areas of the ocean during the effective period; and advance notifications will be made to the local maritime community by marine information broadcasts and Local Notice to Mariners.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities. This rule will affect the following entities, some of which may be small entities: The owners or operators of vessels intending to transit or anchor in a portion of the Atlantic Ocean between Marblehead Neck and Marblehead Rock in the vicinity of Lasque Ledge from

7:30 p.m. until 10 p.m. on August 5, 2006. This safety zone will not have a significant economic impact on a substantial number of small entities for the reason described under the Regulatory Evaluation section.

Assistance for Small Entities

Under subsection 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 [Pub. L. 104–121], we want to assist small entities in understanding this rule so that they can better evaluate its effects on them and participate in the rulemaking process. If this rule will affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please call Chief Petty Officer Paul English, Sector Boston, Waterways Management Division, at (617) 223–5456.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247).

Collection of Information

This rule calls for no new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on State or local governments and would either preempt State law or impose a substantial direct cost of compliance on them. We have analyzed this rule under that Order and have determined that it does not have implications for federalism.

Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 or more in any one year. Though this rule will not result in such an expenditure, we do discuss the

effects of this rule elsewhere in this preamble.

Taking of Private Property

This rule will not affect a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

Protection of Children

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

Indian Tribal Governments

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

Energy Effects

We have analyzed this rule under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a "significant energy action" under that order because it is not a "significant regulatory action" under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. The Administrator of the Office of Information and Regulatory Affairs has not designated it as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

Technical Standards

The National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note) directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through the Office of Management and Budget, with an explanation of why using these

standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies.

This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

Environment

We have analyzed this rule under Commandant Instruction M16475.ID and Department of Homeland Security Management Directive 5100.1, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321–4370f), and have concluded that there are no factors in this case that would limit the use of a categorical exclusion under section 2.B.2 of the Instruction. Therefore, this rule is categorically excluded, under figure 2–1, paragraph (34)(g) of the Instruction, from further environmental documentation. This rule fits the category selected from paragraph (34)(g), as it would establish a safety zone.

A final "Environmental Analysis Check List" and a final "Categorical Exclusion Determination" will be available in the docket where indicated under **ADDRESSES**.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

■ For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1226, 1231; 46 U.S.C. Chapter 701; 50 U.S.C. 191, 195; 33 CFR 1.05–1(g), 6.04–1, 6.04–6, and 160.5; Pub. L. 107–295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

■ 2. Add temporary § 165.T06–061 to read as follows:

§ 165.T–01–061 Safety Zone; Lynch Wedding Fireworks Display, Marblehead, Ma.

(a) *Location.* The following area is a safety zone:

All waters of the Atlantic Ocean, from surface to bottom between Marblehead

Neck and Marblehead Rock in the vicinity of Lasque Ledge within a four hundred (400) yard radius of the fireworks barges located at approximate positions 42°30.142' N, 070°49.813' W and 42°30.146' N, 070°49.733' W.

(b) *Effective Date.* This rule is effective from 7:30 p.m. until 10 p.m. on August 5, 2006.

(c) *Definitions.* As used in this section *Designated representative* means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port (COTP).

(d) *Regulations.* (1) In accordance with the general regulations in 165.23 of this part, entry into or movement within this zone by any person or vessel is prohibited unless authorized by the Captain of the Port (COTP), Boston or the COTP's designated representative.

(2) The safety zone is closed to all vessel traffic, except as may be permitted by the COTP or the COTP's designated representative.

(3) Vessel operators desiring to enter or operate within the safety zone must contact the COTP or the COTP's designated representative to obtain permission to do so. Vessel operators given permission to enter or operate in the safety zone must comply with all directions given to them by the COTP or the COTP's designated representative.

Dated: July 24, 2006.

James L. McDonald,

Captain, U.S. Coast Guard, Captain of the Port, Boston, Massachusetts.

[FR Doc. E6–12529 Filed 8–2–06; 8:45 am]

BILLING CODE 4910–15–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[CGD01–06–037]

RIN 1625–AA00

Safety Zone; Yankee Homecoming Fireworks, Newburyport, MA

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary safety zone for the Yankee Homecoming Fireworks display to be held on August 5, 2006 in Newburyport, Massachusetts. The zone temporarily closes all waters of the Merrimack River within a four hundred (400) yard radius of the fireworks

launch site located at Cashman Park at approximate position 42°48.58' N, 070°52.41' W. The safety zone is necessary to protect the maritime public from the potential hazards posed by a fireworks display. Entry into this zone is prohibited during the closure period unless authorized by the Captain of the Port Boston, Massachusetts or the COTP's designated representative.

DATES: This rule is effective from 8:30 p.m. until 10 p.m. on August 5, 2006.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket [CGD01-06-037] and are available for inspection or copying at Sector Boston, 427 Commercial Street, Boston, MA, between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Chief Petty Officer Paul English, Sector Boston, Waterways Management Division, at (617) 223-5456.

SUPPLEMENTARY INFORMATION:

Regulatory Information

We did not publish a notice of proposed rulemaking (NPRM) for this regulation. Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing an NPRM. An NPRM was not published for this regulation because the logistics with respect to the fireworks presentation were not determined with sufficient time to draft and publish an NPRM. Any delay encountered in this regulation's effective date would be contrary to the public interest since the safety zone is needed to prevent traffic from transiting a portion of the Merrimack River during the fireworks display and to provide for the safety of life on navigable waters.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. Any delay encountered in this regulation's effective date would be contrary to the public interest since the safety zone is needed to prevent traffic from transiting a portion of the Merrimack River during the fireworks event thus ensuring that the maritime public is protected from any potential harm associated with such an event. The zone should have a minimal negative impact on vessel transits in the Merrimack River because vessels will be excluded from the area for only one and one half hours, and vessels can still operate in other areas of the river during the event.

Background and Purpose

The City of Newburyport, Massachusetts is holding a fireworks

display in honor of Yankee Homecoming. This rule establishes a temporary safety zone on the waters of the Merrimack River within a four hundred (400) yard radius of the fireworks launch site located at Cashman Park at approximate position 42°48.58' N, 070°52.41' W. This safety zone is necessary to protect the life and property of the maritime public from the potential dangers posed by this event. The zone will protect the public by prohibiting entry into or movement within the proscribed portion of the Merrimack River during the fireworks display.

Marine traffic may transit safely outside of the zone during the effective period. The Captain of the Port does not anticipate any negative impact on vessel traffic due to this event. Public notifications will be made prior to and during the effective period via safety marine information broadcasts and Local Notice to Mariners.

Discussion of Rule

This rule is effective from 8:30 p.m. until 10 p.m. on August 5, 2006. Marine traffic may transit safely outside of the safety zone in the majority of the Merrimack River during the event. Given the limited time-frame of the effective period of the zone, the size of the river and the size of the zone itself, the Captain of the Port anticipates minimal negative impact on vessel traffic due to this event. Public notifications will be made prior to and during the effective period via Local Notice to Mariners and marine information broadcasts.

Regulatory Evaluation

This rule is not a "significant regulatory action" under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order.

The Coast Guard expects the economic impact of this rule to be so minimal that a full Regulatory Evaluation is unnecessary. Although this rule will prevent traffic from transiting a portion of the Merrimack River during the fireworks display, the effect of this rule will not be significant for several reasons: Vessels will be excluded from the safety zone for less than two hours, vessels, although excluded from the zone, will have sufficient navigable water to safely maneuver in the waters surrounding the zone; and advance notifications will be made to the local maritime community

by marine information broadcasts and Local Notice to Mariners.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601-612), we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities. This rule will affect the following entities, some of which may be small entities: The owners or operators of vessels intending to transit or anchor in a portion of the Merrimack River from 8:30 p.m. until 10 p.m. on August 5, 2006. This safety zone will not have a significant economic impact on a substantial number of small entities for the reason described under the Regulatory Evaluation section.

Assistance for Small Entities

Under subsection 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 [Pub. L. 104-121], we want to assist small entities in understanding this rule so that they can better evaluate its effects on them and participate in the rulemaking process. If this rule will affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please call Chief Petty Officer Paul English, Sector Boston, Waterways Management Division, at (617) 223-5456.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1-888-REG-FAIR (1-888-734-3247).

Collection of Information

This rule calls for no new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on State or local governments and would either preempt State law or impose a substantial direct cost of compliance on them. We have analyzed this rule under that Order and have determined that it does not have implications for federalism.

Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

Taking of Private Property

This rule will not affect a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

Protection of Children

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

Indian Tribal Governments

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

Energy Effects

We have analyzed this rule under Executive Order 13211, Actions Concerning Regulations That

Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a “significant energy action” under that order because it is not a “significant regulatory action” under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. The Administrator of the Office of Information and Regulatory Affairs has not designated it as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

Technical Standards

The National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note) directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through the Office of Management and Budget, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies.

This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

Environment

We have analyzed this rule under Commandant Instruction M16475.ID and Department of Homeland Security Management Directive 5100.1, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321–4370f), and have concluded that there are no factors in this case that would limit the use of a categorical exclusion under section 2.B.2 of the Instruction. Therefore, this rule is categorically excluded, under figure 2–1, paragraph (34)(g) of the Instruction, from further environmental documentation. This rule fits the category selected from paragraph (34)(g), as it would establish a safety zone.

A final “Environmental Analysis Check List” and a final “Categorical Exclusion Determination” will be available in the docket where indicated under **ADDRESSES**.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

■ For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1226, 1231; 46 U.S.C. Chapter 701; 50 U.S.C. 191, 195; 33 CFR 1.05–1(g), 6.04–1, 6.04–6, and 160.5; Pub. L. 107–295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

■ 2. Add temporary § 165.T06–037 to read as follows:

§ 165.T–01–037 Safety Zone: Yankee Homecoming Fireworks, Newburyport, MA.

(a) *Location.* The following area is a safety zone: All waters of the Merrimack River, from surface to bottom, within a four hundred (400) yard radius of the fireworks launch site located at Cashman Park at approximate position 42°48.58” N, 070°52.41” W.

(b) *Effective Date.* This rule is effective from 8:30 p.m. until 10 p.m. on August 5, 2006.

(c) *Definitions.* As used in this section *Designated representative* means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port (COTP).

(d) *Regulations.* (1) In accordance with the general regulations in section 165.23 of this part, entry into or movement within this zone by any person or vessel is prohibited unless authorized by the Captain of the Port (COTP), Boston or the COTP’s designated representative.

(2) The safety zone is closed to all vessel traffic, except as may be permitted by the COTP or the COTP’s designated representative.

(3) Vessel operators desiring to enter or operate within the safety zone must contact the COTP or the COTP’s designated representative to obtain permission to do so. Vessel operators given permission to enter or operate in the safety zone must comply with all directions given to them by the COTP or the COTP’s designated representative.

Dated: July 24, 2006.

James L. McDonald,

Captain, U.S. Coast Guard, Captain of the Port, Boston, Massachusetts.

[FR Doc. E6–12530 Filed 8–2–06; 8:45 am]

BILLING CODE 4910–15–P

**ENVIRONMENTAL PROTECTION
AGENCY****40 CFR Part 52**

[EPA-R04-OAR-2005-AL-0001-200520c;
FRL-8205-2]

**Approval and Promulgation of
Implementation Plans; Alabama;
Nitrogen Oxides Budget and
Allowance Trading Program, Phase II;
Correcting Amendment**

AGENCY: Environmental Protection
Agency (EPA).

ACTION: Final rule; correcting
amendment.

SUMMARY: This action corrects the state effective date for an Alabama regulation that was approved by EPA on December 28, 2005, in connection with our approval of Alabama's Nitrogen Oxide State Implementation Plan (NO_x SIP Call) Phase II submittal, and that appears in Alabama's Identification of Plan section of the Code of Federal Regulations (CFR).

DATES: This action is effective August 3, 2006.

ADDRESSES: Copies of the documentation used in the action being corrected are available for inspection during normal business hours at the following location: U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303-8960. The Regional Office's official hours of business are Monday through Friday, 8:30 to 4:30, excluding federal holidays.

FOR FURTHER INFORMATION CONTACT: Stacy DiFrank, Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303-8960. The telephone number is (404) 562-9042. Ms. DiFrank can also be reached via electronic mail at difrank.stacy@epa.gov.

SUPPLEMENTARY INFORMATION: This action corrects the state effective date for an Alabama regulation that appears in Alabama's Identification of Plan section at 40 CFR 52.50(c). The regulation, Alabama Chapter 335-3-8-.04 (control of nitrogen oxide emissions), was approved by EPA on December 28, 2005, in connection with our approval of Alabama's NO_x SIP Call Phase II submittal (70 FR 76694). However, in the regulatory text of the final rule approving this regulation, EPA inadvertently omitted the state effective date for the regulation (70 FR 76697). Today, EPA is correcting this

inadvertent error by inserting the state effective date for the regulation into Alabama's Identification of Plan section of the Code of Federal Regulations at 40 CFR 52.50(c).

EPA has determined that today's action falls under the "good cause" exemption in section 553(b)(3)(B) of the Administrative Procedure Act (APA) which, upon finding "good cause," authorizes agencies to dispense with public participation where public notice and comment procedures are impracticable, unnecessary, or contrary to the public interest. Public notice and comment for this action are unnecessary because today's action to identify, in the Code of Federal Regulations, the state effective date of Alabama's regulation has no substantive impact on EPA's December 28, 2005, approval of this regulation in connection with our approval of Alabama's NO_x SIP Call Phase II submittal. The omission of the state effective date for the regulation in the regulatory text of EPA's final rule published on December 28, 2005, makes no substantive difference to EPA's analysis as set out in that rule because EPA was aware at the time of our approval that the state regulation at issue was effective on March 22, 2005. In addition, EPA can identify no particular reason why the public would be interested in being notified of the correction of this omission, or in having the opportunity to comment on the correction prior to this action being finalized, since this correction action does not change the meaning of the regulation at issue or otherwise change EPA's analysis of Alabama's NO_x SIP Call Phase II submittal. See, 70 FR 76694.

EPA also finds that there is good cause under APA section 553(d)(3) for this correction to become effective on the date of publication of this action. Section 553(d)(3) of the APA allows an effective date less than 30 days after publication "as otherwise provided by the agency for good cause found and published with the rule." 5 U.S.C. 553(d)(3). The purpose of the 30-day waiting period prescribed in APA section 553(d)(3) is to give affected parties a reasonable time to adjust their behavior and prepare before the final rule takes effect. Today's rule, however, does not create any new regulatory requirements such that affected parties would need time to prepare before the rule takes effect. Rather, today's rule merely corrects an inadvertent error of omission in the regulatory text of a prior rule by identifying the state effective date for the Alabama regulation which EPA approved on December 28, 2005. For these reasons, EPA finds good cause

under APA section 553(d)(3) for this correction to become effective on the date of publication of this action.

**IV. Statutory and Executive Order
Reviews:**

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this action is not a "significant regulatory action" and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355, May 22, 2001). This action merely corrects an inadvertent error of omission in the regulatory text of a prior rule by identifying the state effective date for a Alabama regulation which EPA approved on December 28, 2005, and it imposes no additional requirements beyond those imposed by state law. Accordingly, the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Because this rule merely corrects an inadvertent error of omission in the regulatory text of a prior rule by identifying the state effective date for an Alabama regulation which EPA approved on December 28, 2005, and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4).

This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000). This rule also does not have Federalism implications because it does not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). This rule merely corrects an inadvertent error of omission in the regulatory text of a prior rule by identifying the state effective date for an Alabama regulation which EPA approved on December 28, 2005, and does not alter the relationship or the distribution of power and

responsibilities established in the Clean Air Act (CAA). This rule also is not subject to Executive Order 13045 “Protection of Children from Environmental Health Risks and Safety Risks” (62 FR 19885, April 23, 1997), because it is not economically significant. In addition, this rule does not involve technical standards, thus the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) do not apply. This rule also does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a

report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 2, 2006. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See CAA section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: July 14, 2006.

J.I. Palmer, Jr.,

Regional Administrator, Region 4.

■ 40 CFR part 52 is amended as follows:

PART 52—[AMENDED]

■ 1. The authority citation for part 52 continues to read as follows:

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

Subpart B—Alabama

■ 2. Section 52.50(c) is amended by revising entry for “Section 335–3–8.04” to read as follows:

§ 52.50 Identification of plan.

* * * * *

(c) * * *

EPA—APPROVED ALABAMA REGULATIONS

State citation	Title/subject	State effective date	EPA approval date	Explanation
* * *	* * *	* * *	* * *	* * *
Chapter 335–3–8 Control of Nitrogen Oxide Emissions				
* * *	* * *	* * *	* * *	* * *
Section 335–3–8–.04	Standards for Stationary Reciprocating Internal Combustion Engines.	03/22/05	12/28/05 (70 FR 76694).	
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[FR Doc. E6–12471 Filed 8–2–06; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R09–OAR–2006–0571, FRL–8204–8]

Approval and Promulgation of Implementation Plans for Arizona; Maricopa County PM–10 Nonattainment Area; Serious Area Plan for Attainment of the 24-Hour and Annual PM–10 Standards

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: EPA is taking final action under the Clean Air Act (CAA) to approve the Best Available Control Measure (BACM) and the Most Stringent

Measure (MSM) demonstrations in the serious area particulate matter (PM–10) plan for the Maricopa County portion of the metropolitan Phoenix (Arizona) nonattainment area (Maricopa County area). EPA is also granting Arizona’s request to extend the attainment deadline from 2001 to 2006. EPA originally approved these demonstrations and granted the extension request on July 25, 2002. Thereafter EPA’s action was challenged in the U.S. Court of Appeals for the Ninth Circuit. In response to the Court’s remand, EPA has reassessed the BACM demonstration for the significant source categories of on-road motor vehicles and nonroad engines and equipment exhaust, specifically regarding whether or not California Air Resources Board (CARB) diesel is a BACM. EPA has also reassessed the MSM demonstration.

DATES: *Effective Date:* This rule is effective on September 5, 2006.

ADDRESSES: You can inspect copies of the docket for this action at EPA’s Region IX office during normal business hours by appointment at the following locations: Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901. Air and Radiation Docket and Information Center, U.S. Environmental Protection Agency, Room B–102, 1301 Constitution Avenue, NW., (Mail Code 6102T), Washington, DC 20460.

FOR FURTHER INFORMATION CONTACT: Doris Lo, EPA Region IX, (415) 972–3959, lo.doris@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document, “we,” “us” and “our” refer to EPA.

I. Summary of Proposed Action

On July 1, 2005, EPA proposed to reapprove the BACM and MSM demonstrations in the Maricopa County

area's serious area PM-10 plan.¹ EPA also proposed again to grant Arizona's request for an extension of the area's attainment deadline from December 31, 2001 to December 31, 2006. 70 FR 38064. This proposed action responded to a remand by the U.S. Court of Appeals for the Ninth Circuit on the issue of whether CARB diesel must be included in the serious area plan as a BACM and a MSM. See *Vigil v. Leavitt*, 366 F.3d 1025, amended at 381 F.3d 826 (9th Cir. 2004). EPA re-examined the feasibility of CARB diesel for both the on-road motor vehicle exhaust and nonroad engines and equipment exhaust source categories. In its proposed approval in response to the remand, EPA concluded that implementation of CARB diesel is not feasible for on-road motor vehicles because Arizona cannot obtain a CAA section 211(c)(4) waiver of federal preemption and it is not feasible for nonroad engines and equipment because of the uncertainties with fuel availability, storage and segregation and concerns about program effectiveness due to owners and operators fueling outside the Maricopa County area. 70 FR 38064.

II. Public Comments and EPA Responses

EPA received two comment letters: One from Joy E. Herr-Cardillo, Staff Attorney, Arizona Center for Law in the Public Interest (ACLPI), on behalf of Phoenix residents Robin Silver, Sandra L. Bahr and David Matusow; and one from Nancy C. Wrona, Director, Air Quality Division, Arizona Department of Environmental Quality (ADEQ). In general, the comments from ACLPI oppose our proposed rule and the comments from ADEQ support our proposed rule. EPA appreciates the time and effort made by the commenters in reviewing the proposed rule and providing comments. We have

¹ On July 25, 2002, EPA approved multiple documents submitted to EPA by Arizona for the Maricopa County area as meeting the CAA requirements for serious PM-10 nonattainment areas for the 24-hour and annual PM-10 national ambient air quality standards (NAAQS). Among these documents is the "Revised MAG 1999 Serious Area Particulate Plan for PM-10 for the Maricopa County Nonattainment Area," February 2000 (MAG plan) that includes the BACM demonstrations for all significant source categories (except agriculture) for both the 24-hour and annual PM-10 standards and the State's request and supporting documentation, including the most stringent measure analysis (except for agriculture) for an attainment data extension for both standards. EPA's July 25, 2002 final action included approval of these elements of the MAG plan. For a detailed discussion of the MAG plan and the serious area PM-10 requirements, please see EPA's proposed and final approval actions at 65 FR 19964 (April 13, 2000), 66 FR 50252 (October 2, 2001), and 67 FR 48718 (July 25, 2002).

summarized the comments and provided our responses below.

A. On-Road Motor Vehicle Exhaust

Comment 1: ACLPI asserts that EPA is allowing Arizona to exclude CARB diesel as a BACM simply because the State did not request a CAA section 211(c)(4)(A) waiver. ACLPI states that section 211(c)(4)(A) generally prohibits the state from implementing fuel controls that are not identical to any Federal standard in place, but that the statute allows EPA to "approve an otherwise preempted state fuel measure as necessary if no other measures would bring about timely attainment, or if other measures exist and are technically possible to implement but are unreasonable or impracticable."

ACLPI argues that the appropriate question is not whether the State has requested a waiver, but rather whether it has provided a reasoned justification for failure to include CARB diesel as a control measure. ACLPI believes that the State has not provided such a justification and that under our "guidance" at 56 FR 58658, when a control measure is rejected, the state must provide a reasoned justification. ACLPI includes the following sentence, purportedly from that **Federal Register** notice, to buttress this point: "[t]he burden is on the State to demonstrate that an available control method for an existing source is infeasible or otherwise unreasonable and, therefore, would not constitute RACM [or BACM]."

ACLPI contends that EPA's speculation that the state would not qualify for a waiver because CARB diesel is not necessary for attainment cannot excuse the state's failure to provide a reasoned justification. ACLPI asserts that EPA cannot simply rely for this purpose on the State's demonstration that the area will not attain until December 2006 because EPA improperly approved that date without CARB diesel as a MSM.

Finally, ACLPI comments that EPA's conclusion that CARB diesel is not needed for attainment conflicts with the Agency's guidance at 59 FR 42011-42012 that "the BACM analysis must be independent of the attainment analysis * * *."

Response: Initially we note that we did not rely on Arizona's failure to request a CAA section 211(c)(4) waiver in accepting the State's exclusion of CARB diesel as a BACM. Rather, we acknowledged that a state is eligible to obtain a waiver of federal preemption under certain circumstances, but concluded that Arizona would not have been able to obtain such a waiver here.

Under section 211(c)(4)(C)(i),² EPA can approve the implementation of CARB diesel by Arizona only if the Agency "finds that the State control or prohibition is necessary to achieve the national primary or secondary ambient air quality standard that the plan implements." Further, EPA "may find that a State control or prohibition is necessary to achieve the standard if no other measures that would bring about timely attainment exist, or if other measures exist and are technically possible to implement, but are unreasonable or impracticable." Because EPA has approved the state's demonstration of attainment of the PM-10 NAAQS (67 FR 48718), EPA believes that the state would not be able to provide a demonstration that CARB diesel is necessary to achieve the NAAQS for PM-10 and thus would not be able to obtain a section 211(c)(4)(C)(i) waiver necessary to implement CARB diesel for on-road motor vehicles. 70 FR 38064, 38065.³

We agree with ACLPI that generally an appropriate inquiry, among others, in a BACM analysis is whether there exists a reasoned justification for excluding a control measure. 65 FR 19964, 19967 (April 13, 2000). However, a BACM analysis is not undertaken in a vacuum. If it is not possible for the State to obtain a waiver under section 211(c)(4), it would not be able to implement CARB diesel in the nonattainment area. Therefore it is not necessary for the State to provide a reasoned justification for rejecting CARB diesel as BACM. The State should not be compelled to undertake a pointless analysis.⁴

² In August 2005, CAA section 211(c)(4)(C) was amended and renumbered by the Energy Policy Act of 2005, 42 USCS 15801 *et seq.* The amendments place additional restrictions on EPA's authority under that provision.

³ Because we have determined that we could not approve CARB diesel into the Arizona SIP under section 211(c)(4)(C)(i), we believe that we need not address the effect of the new provisions of the Energy Policy Act of 2005 in today's action.

⁴ To support its contention that the burden is on the state to demonstrate that a measure is not a BACM, ACLPI misquotes a sentence from an unrelated EPA proposed rule as: "[t]he burden is on the State to demonstrate that an available control method * * * is infeasible and, therefore, would not constitute RACM [or BACM]." The actual quotation is from a **Federal Register** notice in which EPA describes a moderate area PM-10 guidance document and states: "[t]he burden is on the State to demonstrate that an available control method * * * is infeasible and, therefore, would not constitute RACM [or RACT]." 56 FR 58656, 58658 (November 21, 1991) (emphasis added; brackets in original). There is nothing so definitive in EPA's serious area guidance regarding the responsibility of the State to provide the primary justification for rejecting a measure as BACM. Moreover, the Ninth Circuit, in determining that it could not find in EPA's approval of the MAG plan the reasoned justification for rejecting CARB diesel, observed that "Arizona has offered one explanation,

ACLP's assertion that EPA cannot rely on the State's demonstration that the area will not attain until December 2006 because EPA improperly approved that date without CARB diesel as a MSM is also misguided. In granting the State's request for an extension of the attainment deadline from December 31, 2001 to December 31, 2006 under CAA section 188(e), EPA concluded that the MAG plan "includes the most stringent measures that are included in the implementation plan of any State or are achieved in practice in any State, and can feasibly be implemented in the area." 67 FR at 48739. As we explained in our final approval of the State's PM-10 plan, section 188(e) does not compel the adoption of every possible MSM. We have interpreted the MSM requirement consistent with how we have historically interpreted the general RACM provision in section 172(c)(1), i.e., we have long held that a state is not obligated to adopt and implement measures that will not contribute to expeditious attainment. We are interpreting the MSM requirement using the same principle.

Before we can grant an attainment date extension, the state must show that its plan will result in attainment by the "most expeditious alternative date practicable." See CAA sections 188(e) and 189(b)(1)(A)(ii). If a state can show that including a certain set of potential MSM would not result in more expeditious attainment, then it is reasonable and consistent with the Act not to require their inclusion as a condition of approval. *Id.* at 48723–48724. Here we appropriately concluded that the implementation of CARB diesel would not advance attainment of the PM-10 NAAQS and thus was not required to be adopted under the MSM requirement. *Id.* at 48725. As a result, having determined that the State had demonstrated that attainment by December 31, 2006 was the most expeditious alternative date under section 188(e), EPA properly granted the State's request for an attainment date extension to that date.

Finally, EPA disagrees that its conclusion, pursuant to section 188(e), that CARB diesel is not needed for expeditious attainment conflicts with the Agency's BACM guidance. There is nothing in EPA's guidance for PM-10 serious area plans (59 FR 41998 (August 16, 1994)) that requires that a BACM analysis be entirely independent of attainment questions. More importantly, the Act does not link the BACM and

attainment demonstration requirements. As noted in EPA's guidance, under section 189(b)(2), states have only 18 months following reclassification to submit their BACM demonstrations, but up to four years to submit attainment demonstrations. Therefore, EPA concluded that "Congress intended BACM demonstrations to be based more on the feasibility of implementing the measures rather than on an analysis of the attainment needs of the area." 59 FR at 42012. In contrast, the Act does not specify an implementation deadline for MSM. However, because the clear intent of section 188(e) is to minimize the length of any attainment date extension, the implementation of MSM must necessarily take into account the attainment needs of the area. 66 FR at 50282.

B. Nonroad Engines and Equipment Exhaust

Comment 2: Fuel availability: ACLPI comments that to conclude that CARB diesel is not a BACM due to uncertainty about the fuel's availability in Maricopa County, EPA relies principally on outdated information (the state's submission in 1999 and a MathPro study conducted in 1998) and incomplete information that fails to consider the availability (as of January 1, 2006) of similar diesel fuel in Texas (approved into the Texas SIP by EPA at 66 FR 57196 (2001)) as well as in California.

Response: The conditions EPA relied on from the 1998 and 1999 documents still exist, i.e., Arizona has no refineries and therefore must depend on refineries in other states for fuel supplies, principally California, New Mexico, and Texas. Even though CARB diesel fuel is produced in California, and to some extent may be produced to meet Low Emission Diesel (LED) fuel requirements in eastern and central Texas as discussed below, there are limits on refinery capacity in each state, as evidenced by (1) our discussion in the proposed rule of projected refining capacity for CARB diesel in California, which ACLPI does not dispute, and (2) the recent disruption of fuel production, including diesel fuel, in the aftermath of Hurricanes Katrina and Rita.

As a result of fuel supply problems caused by hurricane damage to refineries and other oil production facilities in the Gulf Coast area, EPA issued waivers of certain gasoline and diesel fuel requirements, initially applicable in all 50 states, for a sixteen day period from August 31 to September 15, 2005. The initial waiver was extended for a smaller number of states, including New Mexico and Texas, for

highway diesel fuel sulfur content through October 25, 2005. Additionally, EPA granted a waiver of the start date for the Texas LED fuel through January 31, 2006.

Arizona and California fuel supplies were also affected by the hurricanes, since California depends on imports for 5 to 10% of its gasoline supply, and Arizona depends on California and Texas for a great majority of its gasoline supply. Arizona requested and received a waiver of its SIP-approved Reid Vapor Pressure (RVP) gasoline requirement for the Phoenix area through its duration, September 30, 2005. California requested and received waivers of its SIP-approved RVP gasoline requirement through October 31, 2005, the end of its summer RVP gasoline restriction. For copies of the relevant waivers, see EPA's fuel waiver Web site at <http://www.epa.gov/compliance/katrina/waiver/index.html> or EPA's docket for this rule.

The issuance of these fuel waivers illustrates the limits on refinery capacity in the states cited by ACLPI, California and Texas, which provide the great majority of fuel supplies to Arizona. This limitation, in addition to the information provided in the proposed rule on current projections of CARB diesel production in California, supports our conclusion that there is continuing uncertainty regarding Arizona's sources of fuel supplies as indicated in the 1998 study and 1999 report.

ACLP also states that EPA relied on incomplete information by failing to consider the availability (as of January 1, 2006⁵) of similar diesel fuel in Texas as well as in California. As noted above, CARB diesel may be produced to meet the LED fuel requirements in eastern and central Texas, but it is not required as a result of (1) the permissible use of substitutes for LED fuel that achieve equivalent NO_x reductions but not necessarily equivalent PM reductions, and (2) recent changes that removed the low sulfur requirement from the LED rule. See 70 FR 58325. We note that California has made the low sulfur requirement of its CARB diesel rule more stringent, implementing a 15 ppm sulfur content requirement as of

⁵ As noted above, the LED start date for retailers has now been moved to January 31, 2006, following issuance by EPA of fuel waivers dated September 27 and October 18, 2005, as a result of the supply disruptions caused by Hurricanes Katrina and Rita. See the EPA website noted above for copies of the relevant waivers. Additionally, EPA has approved two subsequent SIP revisions making changes to the LED fuel program. See 70 FR 17321 (April 6, 2005) and 70 FR 58325 (October 6, 2005).

which EPA has declined to ratify, and EPA has not proffered an adequate explanation of its own." 381 F. 3d at 843.

September 1, 2006 at the retail level,⁶ but Texas has eliminated the sulfur content requirement completely, deferring to federal requirements for low sulfur content for both highway and nonroad diesel fuel. (See footnote 8 for a brief description of these requirements.)

A significant difference between CARB diesel and the Texas LED fuel program is the ability of fuel producers to meet the LED obligations by using substitutes that achieve equivalent NO_x emission reductions. For example, a producer may be able to achieve equivalent NO_x reductions by substituting early introduction of low sulfur gasoline, at least until all relevant EPA requirements for low sulfur gasoline have been implemented, or by the use of diesel fuel with additives which do not necessarily meet the LED limit on aromatic hydrocarbons and the minimum cetane number but would still achieve the same NO_x reductions.⁷ Substitutes in the Texas LED program that achieve equivalent NO_x reductions are not designed to achieve the PM emission reductions that would be critical if CARB diesel fuel were to be required in the Maricopa County area.

Another significant difference between CARB diesel and the Texas LED fuel program is the elimination in the latter of the low sulfur requirement. EPA approved this change into the relevant Texas ozone SIPs because the low sulfur requirement did not directly reduce the VOC or NO_x emissions that are precursors to the formation of ozone, and because EPA's requirements for low sulfur diesel fuel will begin implementation in 2006 and 2007.⁸

⁶ See Section 2281(a)(2)–(3) of the California Diesel Fuel Regulations, with amendments effective August 14, 2004, at the following Web site: <http://www.arb.ca.gov/fuels/diesel/081404dsregs.pdf>.

⁷ See Sections 114.312(f) and 114.318 of the LED fuel program regulations, which provide for alternative diesel fuel formulations and alternative emission reduction plans, at the following Web site: <http://www.tceq.state.tx.us/implementation/air/sip/cleandiesel.html>. Although Section 114.312(f) provides that alternative diesel fuel formulations must provide comparable or better reductions of NO_x and PM, three of the four alternative diesel fuel formulation approval letters to date have cited NO_x reductions alone, or (in one case) reductions of NO_x and hydrocarbons, but not PM, as the basis for approval. (See approval letters for TXLED-A-00001, dated May 10, 2005, TXLED-A-00005, dated December 13, 2005, and TXLED-A-00006, dated April 26, 2006, at the same website.) Section 114.318 provides that the alternative emissions reduction plan must demonstrate emission reductions associated with LED compliance through an equivalent substitute fuel strategy that is achieved through diesel fuel or early gasoline sulfur reduction offsets that meet specified NO_x reduction requirements or a combination of such strategies.

⁸ As noted in the proposed rule, federal requirements for low sulfur diesel fuel for nonroad use will be implemented at 15 ppm in 2010;

None of the Texas ozone attainment demonstration SIP submissions relied on sulfur emission reductions from the LED fuel program.

EPA specifically states, however, that reducing sulfur emissions (through implementing the low sulfur standard) does reduce sulfur dioxides and particulate matter emissions. 70 FR at 58326. However, since there are no SO₂ or PM-10 nonattainment areas in the eastern and central areas of Texas (the LED covered area), and no monitored violations of these standards in these areas, removing the low sulfur standard was not critical to the LED fuel program. *Id.* Removing the low sulfur standard, however, means the LED fuel program is no longer equivalent to CARB diesel for an area such as Maricopa County which ACLPI argues needs CARB diesel to meet the PM-10 standards.

Thus, ACLPI's claim that EPA relied on incomplete information in failing to consider availability of CARB diesel fuel in Texas is not compelling. The LED fuel program is not equivalent to CARB diesel because it allows substitution of other fuels, including gasoline, that achieve equivalent NO_x emission reductions, and has recently been revised to eliminate the low sulfur requirement which would directly affect PM emission reductions. Furthermore, the LED fuel requirement was developed for ozone nonattainment areas in Texas, not PM nonattainment areas.

Comment 3: Fuel storage and supply: ACLPI comments that EPA raises a potential problem of future fuel storage and supply but does not evaluate it except by relying on hypothetical observations of a single ADWM employee. ACLPI states that since the presumption when evaluating potential BACM is in favor of including the control measure unless a reasoned justification is offered to exclude it, this potential problem is not enough to justify excluding it.

Response: Although ACLPI describes this "potential problem" as one of fuel storage and "supply," EPA's proposed rule more accurately describes the scope of the problem as fuel storage and "segregation." If the nonroad diesel fuel for the Maricopa County area were CARB diesel, there would be a third type of diesel fuel in addition to the two

beginning in 2007, the federal requirement for low sulfur diesel fuel for nonroad use will begin implementation at 500 ppm. Federal requirements for low sulfur diesel fuel for highway use will be implemented at 15 ppm in 2006. 70 FR 70498 (November 22, 2005). As noted in the MAG plan, Arizona already restricts the sulfur content of nonroad diesel fuel in the Maricopa County area to 500 ppm. (MAG plan, page 9–47.)

types (federal highway diesel fuel and Federal nonroad diesel fuel) currently required for distribution statewide. These three fuels, and the three types of gasoline that are required for the state (Cleaner Burning Gasoline for the Maricopa County area, oxygenated gasoline for Tucson in the winter, and conventional gasoline for the rest of the state), as well as jet fuel, must be stored and transported separately in the fuel storage and distribution systems. These systems include pipelines, terminal tanks, truck tanks, and retail tanks. If not properly segregated, the fuels can be contaminated which would complicate the fuel distribution system since the contaminated fuels would need to be re-blended to be suitable for another use.⁹

The Arizona Department of Weights and Measures (ADWM) is the State agency responsible for implementing and enforcing fuels requirements in the State. The cited employee, the Air and Fuel Quality Program Manager, regularly gathers information from representatives of fuel suppliers and distributors about the storage of different types of fuel for distribution in the State as part of a routine effort to assess the potential for fuel supply interruptions. This employee regularly reports on this information to the Governor's office as part of an effort to anticipate and resolve potential problems with fuel supply or demand.¹⁰ Thus, this employee has the authority and the experience to know if tank farms for fuel storage in the Maricopa County area are at maximum capacity.¹¹

Additionally, ADEQ notes in its August 1, 2005 comment letter on our proposed rule that "breakout tankage" does not exist on the eastern part of the pipeline. Breakout tankage, unlike the storage tanks located in the Maricopa

⁹ Additionally, as noted in our proposed rule, if nonroad diesel fuel is not kept segregated strictly for nonroad use, and it is available for use by both on-road vehicles as well as nonroad engines and equipment, the nonroad diesel fuel would be preempted just as if it were intended only for use by on-road vehicles. 70 FR at 38066, footnote 8.

¹⁰ See December 22, 2005 Memorandum, "December 20, 2005 telephone conversation with Duane Yantorno, Air and Fuel Quality Program Manager, Arizona Department of Weights and Measures, Ira Domskey, Deputy Director, Division of Air Quality, Arizona Department of Environmental Quality, Carol Weisner, EPA Region 9, and Wienke Tax, EPA Region 9, on Feasibility of Requiring CARB Diesel Fuel in Maricopa County PM-10 Nonattainment Area." Yantorno confirmed the next day, after speaking with representatives of fuel suppliers and/or distributors, that the two large tank farms in the Maricopa area are at or near maximum capacity. One of the facilities might be able to accommodate a different type of fuel for storage, but the other could not.

¹¹ These tank farms are the large terminal tanks available for storing fuel once the fuel has been off-loaded from a pipeline or other distribution method.

County area, are storage tanks at intermediate terminals outside the area. On the West Kinder Morgan pipeline, intermediate terminals are located in Colton, California; on the East Kinder Morgan pipeline, intermediate terminals are located in El Paso, Texas, and Tucson, Arizona.¹² ADEQ comments that refiners from Texas or New Mexico wanting to bring CARB diesel to the Maricopa market would have to barge it through the Panama Canal to California for distribution through the western pipeline system to find adequate "breakout tankage" for storing the fuel separately.

Comment 4: Fueling outside Maricopa County: ACLPI comments that EPA relies on speculation that nonroad diesel fuel users will refuel outside the nonattainment area to avoid paying the higher cost of CARB diesel. ACLPI claims that EPA's only support comes from MAG plan statements, which are themselves unsupported, and irrelevant comments about the trucking industry, and it ignores EPA's explicit rejection of this argument in the 2001 SIP approval of the Texas low emission diesel fuel control.

Response: It is the size of the covered area, as well as the incentive to avoid the higher cost of CARB diesel fuel, that EPA cited as its principal reasons for the uncertainty in effectiveness of implementing CARB diesel in the Maricopa area for nonroad engines and equipment alone. 70 FR 38064. Because of the markedly different circumstances, ACLPI's reliance on statements from the Texas LED SIP approval are misplaced. Texas will require sale of LED fuel which, as noted in response to Comment 2 above, is not equivalent to CARB diesel fuel, for use by both on-road vehicles and nonroad engines and equipment in an area that includes 110 counties in eastern and central Texas with borders from 153 to 454 miles wide, as noted in the excerpt quoted by ACLPI. This area includes most of the largest cities in Texas: Houston, Dallas, San Antonio, and Austin. Similarly, California requires sale of CARB diesel fuel statewide (approximately 58 counties totaling 163,696 square miles, http://www.dof.ca.gov/HTML/FS_DATA/stat-abs/tables/a1.xls) for use by both on-road vehicles and nonroad engines and equipment.

The Maricopa County area that would be covered by a CARB diesel fuel program, by contrast, is much smaller (approximately 66 miles across its widest point, as we noted in our proposed rule (70 FR at 38067) and

would be limited to fuel for nonroad engines and equipment. As ADEQ noted in its August 1, 2005 comment letter, enforcement of the requirement would be virtually impossible because it would be relatively easy to evade, either by purchasing Federal nonroad diesel fuel outside the covered area, or by purchasing Federal highway diesel fuel within the covered area.¹³

In both California and Texas, the size of the covered areas and the application of the requirement to both highway vehicles and nonroad engines and equipment establish much more extensive programs that essentially provide only one type of diesel fuel for sale in very large geographic areas, substantially reducing the potential for evading the special diesel fuel requirements.

C. MSM Demonstration and Extension of Attainment Date

Comment 5: ACLPI states that, because EPA did not undertake a new analysis of CARB diesel as a MSM for purposes of the attainment date extension, ACLPI incorporates by reference comments it submitted "in response to previous rulemakings, as well as the arguments and analysis set forth in the Opening and Reply briefs filed in *Vigil* * * * (specifically Opening Brief, pp. 21–27; ¹⁴ Reply Brief, pp. 9–18.)"

Response: The *Vigil* Court's remand of EPA's approval of the attainment date extension is limited. The Court concluded that "[w]e also remand the question of Arizona's eligibility for the extension, insofar as that question depends on EPA's determination regarding MSM." (Emphasis added). 381 F. 3d at 487. Therefore to the extent that ACLPI intends to incorporate by

¹³ For Federal tax purposes, nonroad diesel fuel is dyed red to distinguish it easily from highway diesel fuel. Both Federal and Arizona excise taxes apply to highway diesel fuel but not to nonroad diesel fuel. Arizona law (as noted in ADEQ's August 1, 2005 comment letter) provides for refunds to users of taxed highway diesel fuel who demonstrate they actually used the fuel in nonroad equipment. This ability to seek a refund means the Arizona excise tax on highway diesel fuel (\$0.26 per gallon) is probably not a significant obstacle to someone who wants to avoid the presumably higher cost of CARB diesel by purchasing highway diesel fuel which would not be subject to the CARB diesel fuel requirements. EPA notes, however, that Arizona sales and use tax (8% of the purchase price of the fuel) would likely apply to purchases of highway diesel fuel that are shown to be for nonroad use, and would be deducted from the refund. See January 20, 2006 Memorandum, "January 12, 2006 telephone conversation between Tim Lee, Director of Revenue Audits, Arizona Department of Transportation, and Carol Weisner, EPA Region 9, regarding Arizona excise tax on diesel fuel."

¹⁴ EPA notes that the discussion of MSM begins on p. 24 of ACLPI's Opening Brief.

reference its comments and arguments on aspects of the extension other than MSM, it is precluded from raising them in this rulemaking.

While ACLPI does not specify, we assume that by "previous rulemakings" it is referring to EPA's proposed approvals of the serious PM–10 plan for the Maricopa County area at 65 FR 19964 (April 13, 2000) and 66 FR 50252 (October 2, 2001). ACLPI commented on these proposed actions in letters from Joy Herr-Cardillo to Frances Wicher, EPA Region 9, dated July 20, 2000 and November 1, 2001. EPA has previously addressed the arguments relating to MSM and the attainment date extension as it relates to MSM raised by ACLPI in their briefs and these letters. See 67 FR at 48722–48725 and EPA's Response Brief in *Vigil* at 10–12 and 30–34. Discussions also relevant to these issues can be found in EPA's proposed approvals of the serious PM–10 plan for the Maricopa County area at 65 FR 19964 and 66 FR 50252.

III. Final Action

In response to the *Vigil* Court's remand, EPA is again approving the BACM demonstration in the MAG plan for the source categories of on-road and nonroad vehicle exhaust without CARB diesel. CARB diesel is not feasible for on-road motor vehicles because Arizona cannot obtain a CAA section 211(c)(4)(C)(i) waiver for purposes of PM–10 attainment. CARB diesel is not feasible for nonroad engines and equipment because of the uncertainties with fuel availability, storage and segregation and concerns about program effectiveness due to owners and operators fueling outside the Maricopa County area. Therefore, EPA is also again approving the MSM demonstration in the MAG plan and the associated extension of the attainment deadline for the area from December 31, 2001 to December 31, 2006.

In its remand to EPA, the *Vigil* Court did not vacate our approval of the MAG plan as it relates to the BACM and MSM demonstrations, and the associated extension of the attainment deadline for the Maricopa County area. These actions are codified at 40 CFR 52.123(j)(2), (4) and (7) and remain in effect. See 67 FR at 48739.

IV. Statutory and Executive Order Reviews

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this action is not a "significant regulatory action" and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211,

¹² See December 22, 2005 Memorandum cited in footnote 9.

“Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use” (66 FR 28355, May 22, 2001). This action merely approves state law as meeting Federal requirements and imposes no additional requirements beyond those imposed by state law. Accordingly, the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Because this rule approves pre-existing requirements under state law and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4).

This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000). This action also does not have Federalism implications because it does not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). This action merely approves a state rule implementing a Federal standard, and does not alter the relationship or the distribution of power and responsibilities established in the Clean Air Act. This rule also is not subject to Executive Order 13045 “Protection of Children from Environmental Health Risks and Safety Risks” (62 FR 19885, April 23, 1997), because it is not economically significant.

In reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the Clean Air Act. In this context, in the absence of a prior existing requirement for the State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a SIP submission for failure to use VCS. It would thus be inconsistent with applicable law for EPA, when it reviews a SIP submission, to use VCS in place of a SIP submission that otherwise satisfies the provisions of the Clean Air Act. Thus, the requirements of section 12(d) of the National Technology Transfer and

Advancement Act of 1995 (15 U.S.C. 272 note) do not apply. This rule does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 2, 2006. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Particulate matter, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: July 14, 2006.

Laura Yoshii,

Acting Regional Administrator, Region IX.
[FR Doc. E6-12483 Filed 8-2-06; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL-8205-1]

National Oil and Hazardous Substance Pollution Contingency Plan; National Priorities List

AGENCY: Environmental Protection Agency (EPA).

ACTION: Technical Correction of final partial deletion of the Motor Wheel Disposal Superfund Site from the National Priorities List.

SUMMARY: On June 23, 2006 (70 FR 36019) EPA published a technical correction to a final notice of deletion from the National Priorities List for the Motor Wheel, Lansing, Michigan Site. The technical correction had an error in the amendatory language. This action is correcting this error.

DATES: *Effective Date:* This action is effective as of August 3, 2006.

ADDRESSES: Comprehensive information on the Site, as well as the comments that were received during the comment period are available at: Robert Paulson, Community Involvement Coordinator, U.S. EPA, P19J, 77 W. Jackson, Chicago, IL, (312) 886-0272 or 1-800-621-8431.

FOR FURTHER INFORMATION CONTACT: Gladys Beard, State NPL Deletion Process Manager, U.S. EPA (SR-6J), 77 W. Jackson, Chicago, IL 60604, (312) 886-7253 or 1-800-621-8431.

SUPPLEMENTARY INFORMATION:

Information Repositories: Repositories have been established to provide detailed information concerning this decision at the following address: U.S. EPA Region V, 77 W. Jackson, Chicago, IL 60604, (312) 353-5821, Monday through Friday 8 a.m. to 4 p.m.; The Lansing Public Library, Reference Section, 401 Capital Ave., Lansing, MI 48933. On June 22, 2000 (65 FR 38806), EPA published a “Notice of intent to delete 3.45 acres of land from the Motor Wheel Disposal Site from the National Priorities List; request for comments,” and on June 22, 2000 (65 FR 38774), a “Direct final notice of deletion for 3.45 acres of land for the Motor Wheel Superfund Site from the National Priorities List (NPL).” The EPA is publishing this Technical Correction to the June 22, 2000, final notice of deletion due to errors that were published in that notice, a subsequent technical correction dated June 23, 2006, and in the National Priorities List at 40 CFR part 300, Appendix B. After review of the final notice of deletion and the National Priorities List, EPA is

publishing this Technical Correction today to change the word “revising” in the June 23, 2006 Direct final notice of deletion to the word “adding” and to amend 40 CFR part 300, Appendix B by adding the Motor Wheel, Lansing, Michigan, and inserting a “P” in the Notes(a) column for the Motor Wheel Site, Lansing, Michigan. EPA will place a copy of the final partial deletion package in the site repositories.

List of Subjects in 40 CFR Part 300

Environmental protection, Air pollution control, Chemicals, Hazardous substances, Hazardous waste, Intergovernmental relations, Penalties, Reporting and recordkeeping requirements, Superfund, Water pollution control, Water supply.

Authority: 33 U.S.C. 1321(c)(2); 42 U.S.C. 9601–9657; E.O. 12777, 56 FR 54757, 3 CFR, 1991 Comp., p. 351; E.O. 12580, 52 FR 2923; 3 CFR, 1987 Comp., p. 193.

Dated: July 24, 2006.

Norman Neidergang,

Acting Regional Administrator, EPA Region V.

■ For the reasons stated in the preamble, 40 CFR part 300 is amended as follows:

■ 2. Table 1 of Appendix B to part 300 is amended under Michigan “MI” by adding the entry for “Motor Wheel” to read as follows:

Appendix B to Part 300—National Priorities List

TABLE 1.—GENERAL SUPERFUND SECTION

State	Site name	City/County	Notes ^a
MI	Motor Wheel	Lansing	P

^a * * *

P = Sites with partial deletions.

* * * *

[FR Doc. E6–12446 Filed 8–2–06; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 594

[Docket No. NHTSA 2006–24128; Notice 3]

RIN 2127–AJ87

Schedule of Fees Authorized by 49 U.S.C. 30141

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.
ACTION: Final rule.

SUMMARY: This document adopts fees for Fiscal Year (FY) 2007 and until further notice, as authorized by 49 U.S.C. 30141, relating to the registration of importers and the importation of motor vehicles not certified as conforming to the Federal Motor Vehicle Safety Standards (FMVSS). These fees are needed to maintain the registered importer (RI) program.

We are decreasing the fees for the registration of a new RI from \$830 to \$677 and the annual fee for renewing an existing registration from \$745 to \$570. These fees include the costs of maintaining the RI program. The fee required to reimburse the U.S. Department of Homeland Security (Customs) for conformance bond processing costs will increase from

\$9.30 to \$9.77 per bond. We are also increasing the fees assessed against the importer of each vehicle covered by the decision to grant import eligibility. For vehicles determined eligible based on their substantial similarity to a U.S. certified vehicle, the fee is increased from \$150 to \$208. For vehicles determined eligible based on their capability of being modified to comply with all applicable FMVSS, the fee is increased from \$150 to \$208. In the event that a petitioner requests an inspection of a vehicle, the fee for such an inspection will remain \$827 for vehicles that are the subject of either type of petition. The fee that an RI must pay as a processing cost for review of each conformity package that it submits to NHTSA will decrease to \$13 from \$18 per certificate. If the vehicle has been entered electronically with Customs through the Automated Broker Interface (ABI) and the registered importer has an e-mail address, the fee for processing the conformity package will continue to be \$6, provided the fee is paid by credit card. However, if NHTSA finds that the information in the entry or the conformity package is incorrect, the processing fee will be \$48, representing no change from the fee that is currently charged when there are one or more errors in the ABI entry or omissions in the statement of conformity.

DATES: The amendments established by this final rule will become effective on October 1, 2006, the beginning of FY 2007. Petitions for reconsideration must be received by NHTSA not later than September 18, 2006.

ADDRESSES: Petitions for reconsideration of this final rule should refer to the docket and notice numbers identified above and be submitted to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590. It is requested, but not required, that 10 copies of the petition be submitted. The petition must be received not later than 45 days after publication of this final rule in the **Federal Register**. Petitions filed after that time will be considered petitions filed by interested persons to initiate rulemaking pursuant to 49 U.S.C. Chapter 301.

The petition must contain a brief statement of the complaint and an explanation as to why compliance with the final rule is not practicable, is unreasonable, or is not in the public interest. Unless otherwise specified in the final rule, the statement and explanation together may not exceed 15 pages in length, but necessary attachments may be appended to the submission without regard to the 15-page limit. If it is requested that additional facts be considered, the petitioner must state the reason why they were not presented to the Administrator within the prescribed time. The Administrator does not consider repetitious petitions and unless the Administrator otherwise provides, the filing of a petition does not stay the effectiveness of the final rule.

FOR FURTHER INFORMATION CONTACT: For legal issues: Michael Goode, Office of

Chief Counsel, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590 (202-366-5263). For all other issues: Coleman Sachs, Office of Vehicle Safety Compliance, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590 (202-366-5291).

SUPPLEMENTARY INFORMATION:

A. Introduction

This rule was preceded by a notice of proposed rulemaking (NPRM) that NHTSA published on April 19, 2006 (71 FR 20061). On May 9, 2006, the agency published another notice correcting the docket number (71 FR 26919).

The National Traffic and Motor Vehicle Safety Act, as amended by the Imported Vehicle Safety Compliance Act of 1988, and recodified as 49 U.S.C. 30141-30147 ("the Act"), provides for fees to cover the costs of the importer registration program, the cost of making import eligibility decisions, and the cost of processing the bonds furnished to Customs. Certain fees became effective on January 31, 1990, and have been in effect, with modifications, since then. On June 24, 1996, we published a notice in the **Federal Register** at 61 FR 32411 that discussed the rulemaking history of 49 CFR part 594 and the fees authorized by the Act. The reader is referred to that notice for background information relating to this rulemaking action.

We last amended the fee schedule in 2004. See final rule published on September 28, 2004 at 69 FR 57869. Those fees applied to Fiscal Years 2005 and 2006.

The fees adopted by this final rule are based on time and costs associated with the tasks for which the fees are assessed and reflect the slight increase in hourly costs in the past two fiscal years attributable to the approximately 3.71 and 3.44 percent raises (including the locality adjustment for Washington, DC) in salaries of employees on the General Schedule that became effective on January 1, 2005, and on January 1, 2006, respectively.

B. Comments

There were no comments in response to the notice of proposed rulemaking.

C. Requirements of the Fee Regulation

Section 594.6—Annual Fee for Administration of the Importer Registration Program

Section 30141(a)(3) of Title 49, U.S. Code provides that RIs must pay the annual fee the Secretary of Transportation establishes " * * * to pay for the costs of carrying out the

registration program for importers * * *." This fee is payable both by new applicants and by existing RIs. To maintain its registration, each RI, at the time it submits its annual fee, must also file a statement affirming that the information it furnished in its registration application (or in later submissions amending that information) remains correct (49 CFR 592.5(f)).

In compliance with the statutory directive, we reviewed the existing fees and their bases in an attempt to establish fees that would be sufficient to recover the costs of carrying out the registration program for importers for at least the next two fiscal years. The initial component of the Registration Program Fee is the fee attributable to processing and acting upon registration applications. We will decrease this fee from \$293 to \$266 for new applications. We have also determined that the fee for the review of the annual statement will be decreased from \$208 to \$159. These fee adjustments reflect reduced "per hour" computer costs, which are attributed to the implementation of client-server Information Technology (IT) systems based on user-friendly personal computers. The proposed adjustments also reflect our time expenditures in reviewing both new applications and annual statements with accompanying documentation, as well as the inflation factor attributable to Federal salary increases and locality adjustments in the two years since the regulation was last amended.

We must also recover costs attributable to maintenance of the registration program that arise from the need for us to review a registrant's annual statement and to verify the continuing validity of information already submitted. These costs also include anticipated costs attributable to the possible revocation or suspension of registrations and reflect the amount of time that we have devoted to those matters in the past two years.

Based upon our review of these costs, the portion of the fee attributable to the maintenance of the registration program is approximately \$411 for each RI, a decrease of \$126. When this \$411 is added to the \$266 representing the registration application component, the cost to an applicant comes to \$677, which is the fee we are adopting. This represents a decrease of \$260 over the existing fee. When the \$411 is added to the \$159 representing the annual statement component, the total cost to the RI comes to \$570, which represents a decrease of \$175.

Section 594.6(h) enumerates indirect costs associated with processing the annual renewal of RI registrations. The

provision states that these costs represent a pro rata allocation of the average salary and benefits of employees who process the annual statements and perform related functions, and "a pro rata allocation of the costs attributable to maintaining the office space, and the computer or word processor." The indirect costs that were previously calculated at \$20.07 per man-hour are being decreased by \$3.00, to \$17.07. This decrease is based on the difference between enacted budgetary costs within the Department of Transportation for the last two fiscal years, which were lower than the estimates used when the fee schedule was last amended, and takes account of further projected decreases over the next two fiscal years.

Sections 594.7 and 594.8—Fees To Cover Agency Costs in Making Importation Eligibility Determinations

Section 30141(a)(3) also requires RIs to pay other fees the Secretary of Transportation establishes to cover the costs of " * * * (B) making the decisions under this subchapter." This includes decisions on whether the vehicle sought to be imported is substantially similar to a motor vehicle that was originally manufactured for importation into and sale in the United States and certified by its original manufacturer as complying with all applicable FMVSS, and whether the vehicle is capable of being readily altered to meet those standards. Alternatively, where there is no substantially similar U.S.—certified motor vehicle, the decision is whether the safety features of the vehicle comply with, or are capable of being altered to comply with, the FMVSS based on destructive test information or such other evidence that NHTSA deems to be adequate. These decisions are made in response to petitions submitted by RIs or manufacturers, or on the Administrator's own initiative.

The fee for a vehicle imported under an eligibility decision made in response to a petition is payable in part by the petitioner and in part by other importers. The fee to be charged for each vehicle is the estimated pro rata share of the costs in making all the eligibility determinations in a fiscal year.

The fee adopted by this final rule reflects the slight increase in hourly costs in the past two fiscal years attributable to the approximately 3.71 and 3.44 percent raises (including the locality adjustment for Washington, DC) in salaries of employees on the General Schedule that became effective on January 1, 2005, and on January 1, 2006, respectively. We have also reduced costs by issuing a single **Federal**

Register notice to announce import eligibility decisions made on multiple vehicles and realized reduced “per hour” computer costs, which are attributed to the implementation of client-server IT systems based on user-friendly personal computers. Despite the cost savings that have accrued from these developments, RIs have imported fewer vehicles each year since we last amended the fee schedule. This has increased the pro rata share of petition costs that are to be assessed against the importer of each vehicle covered by the decision to grant import eligibility. The agency has also devoted an increasing share of staff time in the past two years to the review and processing of import eligibility petitions owing to a proportionately greater number of comments being submitted in response to these petitions, as well as complications that result when the petitioner or one or more commenters request confidentiality for information they submit to the agency. Additional staff time is also needed to analyze the petitions and any comments received owing to new requirements being adopted in the FMVSS. Despite these factors, we are not increasing the current fee of \$175 that covers the initial processing of a “substantially similar” petition. Instead, as discussed below, we will address these additional costs by increasing the pro rata share of petition costs that are assessed against the importer of each vehicle covered by the decision to grant import eligibility. Likewise, we are also maintaining the existing fee of \$800 to cover the initial costs for processing petitions for vehicles that have no substantially similar U.S.-certified counterpart.

In the event that a petitioner requests an inspection of a vehicle, the fee for such an inspection will remain \$827 for vehicles that are the subject of either type of petition.

Importers of vehicles determined to be eligible for importation pay, upon the importation of those vehicles, a pro rata share of the total cost for making the eligibility decision. The importation fee varies depending upon the basis on which the vehicle is determined to be eligible. For vehicles covered by an eligibility decision on the agency’s own initiative (other than vehicles imported from Canada that are covered by eligibility numbers VSA–80 through 83, for which no eligibility decision fee is assessed), the fee will remain \$125. NHTSA determined that the costs associated with previous eligibility determinations on the agency’s own initiative will be fully recovered by October 1, 2006. We will apply the fee of \$125 per vehicle only to vehicles

covered by determinations made by the agency on its own initiative on or after October 1, 2006.

In 2005, the most recent year for which complete data exists, the agency expended \$79,626 in making import eligibility decisions based on petitions. The petitioners paid \$8,575 of that amount in the processing fees that accompanied the filing of their petitions, leaving the remaining \$71,051 to be recovered from the importers of the 192 vehicles imported that year under petition-based import eligibility decisions. Dividing \$71,051 by 192 yields a pro rata fee of \$370 for each vehicle imported under an eligibility decision that resulted from the granting of a petition.

However, the agency believes that the volume of petition-based imports for the next two fiscal years should not be projected on the basis of a single year, particularly one in which the volume of petitioned-based imports was atypically low. The agency therefore took the average number of petition-based imports over the past 15 years to project the number of such vehicles that would be imported in Fiscal Years 2007 and 2008. Further, we anticipate that petitions filed during Fiscal Years 2007 and 2008 would also more closely reflect the average number of petitions received each year since 1991, the first year that the agency received import eligibility petitions. Based on these estimates, we anticipate that nearly 600 vehicles would be imported under petition-based eligibility decisions and that 42 petition-based import eligibility decisions would be made.

Based on these estimates, the agency’s costs for processing these petitions would increase to no more than \$140,000. Petitioners would pay slightly more than \$15,000 of that amount in the processing fees that accompany the filing of their petitions, leaving the remaining \$125,000 to be recovered from the importers of the nearly 600 vehicles to be imported each year under petition-based import eligibility decisions. Dividing \$125,000 by 600 yields a pro-rata fee of \$208 for each vehicle imported under an eligibility decision that results from the granting of a petition.

Based on our estimates for Fiscal Years 2007 and 2008, the pro rata fee to be paid by the importer of each such vehicle will increase from \$150 to \$208, representing an increase of \$58 from the existing fee for each vehicle imported. The same \$208 fee will be paid regardless of whether the vehicle was petitioned under 49 CFR 593.6(a), based on the substantial similarity of the vehicle to a U.S.-certified model, or was

petitioned under 49 CFR 593.6(b), based on the safety features of the vehicle complying with, or being capable of being modified to comply with all applicable FMVSS.

Section 594.9—Fee To Recover the Costs of Processing the Bond

Section 30141(a)(3) also requires a registered importer to pay any other fees the Secretary of Transportation establishes “* * * to pay for the costs of—(A) processing bonds provided to the Secretary of the Treasury * * *”. Under Section 30141(d), the bond is provided at the time a nonconforming vehicle is imported to ensure that the vehicle will be brought into compliance within 120 days as required by 49 CFR 591.8(d)(1), or if it is not brought into compliance within such time, that it be exported, without cost to the United States, or abandoned to the United States.

The Department of Homeland Security (Customs) now exercises the functions associated with the processing of these bonds. The statute contemplates that we will make a reasonable determination of the cost that Customs incurs in processing the bonds. In essence, the cost to Customs is based upon an estimate of the time that a GS–9, Step 5 employee spends on each entry, which Customs has judged to be 20 minutes.

Based on General Schedule salary and locality raises that were effective in January 2005 and 2006 and the inclusion of costs for benefits, we are increasing the processing fee by \$0.47, from \$9.30 per bond to \$9.77. This fee will reflect the direct and indirect costs that are actually associated with processing the bonds.

Section 594.10—Fee for Review and Processing of Conformity Certificate

Each RI is currently required to pay \$18 per vehicle to cover the costs the agency incurs in reviewing a certificate of conformity. We have found that these costs have decreased to an average of \$13 per vehicle because of lower contractor costs and reduced “per hour” computer costs, which are attributed to the implementation of client-server IT systems based on user-friendly personal computers. Based on these costs, we are reducing the fee charged for vehicles for which a paper entry and fee payment is made, from \$18 to \$13, a difference of \$5 per vehicle. However, if an RI enters a vehicle through the Automated Broker Interface (ABI) system, has an e-mail address to receive communications from NHTSA, and pays the fee by credit card, the cost savings that we realize allow us to significantly reduce the fee to \$6. We

are maintaining the fee of \$6 per vehicle if all the information in the ABI entry is correct.

Errors in ABI entries not only eliminate any time savings, but also require additional staff time to be expended in reconciling the erroneous ABI entry information with the conformity data that is ultimately submitted. Our experience with these errors has shown that staff members must examine records, make time-consuming long distance telephone calls, and often consult supervisory personnel to resolve the conflicts in the data. We have calculated this staff and supervisory time, as well the telephone charges, to amount to approximately \$42 for each erroneous ABI entry. Adding this to the \$6 fee for the review of conformity packages on automated entries yields a total of \$48, representing no change in the fee that is currently charged when there are one or more errors in the ABI entry or omissions in the statement of conformity.

Statutory Basis for the Final Rule and Effective Date

NHTSA is required under 49 U.S.C. 30141(e) to "review and make appropriate adjustments at least every 2 years in the amounts of the fees" relating to the registration of importers, the processing of bonds, and making decisions concerning the importation of nonconforming vehicles. The statute further requires the agency to "establish the fees for each fiscal year before the beginning of that year." This final rule implements the statutory provisions.

Fiscal Year 2007 begins on October 1, 2006. In the NPRM, we proposed to make this rule effective October 1, 2006, and did not receive any comments on this issue. Accordingly, the effective date of this final rule is October 1, 2006.

Rulemaking Analyses and Notices

A. Executive Order 12866 and DOT Regulatory Policies and Procedures

Executive Order 12866, "Regulatory Planning and Review" (58 FR 51735, October 4, 1993), provides for making determinations whether a regulatory action is "significant" and therefore subject to Office of Management and Budget (OMB) review and to the requirements of the Executive Order. The Order defines a "significant regulatory action" as one that is likely to result in a rule that may:

(1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or

State, local, or tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

We have considered the impact of this rulemaking action under Executive Order 12866 and the Department of Transportation's regulatory policies and procedures. This rulemaking is not significant. Accordingly, the Office of Management and Budget has not reviewed this rulemaking document under Executive Order 12886. Based on the level of the fees and the volume of affected vehicles, NHTSA currently anticipates that the costs of the final rule would be so minimal as not to warrant preparation of a full regulatory evaluation. The action does not involve any substantial public interest or controversy. There would be no substantial effect upon State and local governments. There would be no substantial impact upon a major transportation safety program. A regulatory evaluation analyzing the economic impact of the final rule establishing the registered importer program, adopted on September 29, 1989, was prepared, and is available for review in the docket.

B. Regulatory Flexibility Act

Pursuant to the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*, as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996), whenever an agency is required to publish a notice of proposed rulemaking for any proposed or final rule, it must prepare and make available for public comment a regulatory flexibility analysis that describes the effect of the rule on small entities (i.e., small businesses, small organizations, and small governmental jurisdictions). The Small Business Administration's regulations at 13 CFR part 121 define a small business, in part, as a business entity "which operates primarily within the United States." (13 CFR 121.105(a)). No regulatory flexibility analysis is required if the head of an agency certifies that the rule would not have a significant economic impact on a substantial number of small entities. The SBREFA amended the Regulatory Flexibility Act to require Federal agencies to provide a statement of the factual basis for certifying that a rule

would not have a significant economic impact on a substantial number of small entities.

The agency has considered the effects of this rulemaking under the Regulatory Flexibility Act, and certifies that the adopted amendments will not have a significant economic impact upon a substantial number of small entities.

The following is NHTSA's statement providing the factual basis for the certification (5 U.S.C. 605(b)). The adopted amendments will primarily affect entities that currently modify nonconforming vehicles and which are small businesses within the meaning of the Regulatory Flexibility Act; however, the agency has no reason to believe that these companies would be unable to pay the fees adopted in this rulemaking action. In some instances, these fees are only modestly increased (and in most instances decreased) from the fees previously paid by these entities. Moreover, consistent with prevailing industry practices, these fees should be passed through to the ultimate purchasers of the vehicles that are altered and, in most instances, sold by the affected registered importers. The cost to owners or purchasers of nonconforming vehicles that are altered to conform to the FMVSS may be expected to increase (or decrease) to the extent necessary to reimburse the registered importer for the fees payable to the agency for the cost of carrying out the registration program and making eligibility decisions, and to compensate Customs for its bond processing costs.

Governmental jurisdictions will not be affected at all since they are generally neither importers nor purchasers of nonconforming motor vehicles.

C. Executive Order 13132 (Federalism)

Executive Order 13132 on "Federalism" requires NHTSA to develop an accountable process to ensure "meaningful and timely input by State and local officials in the development of regulatory policies that have Federalism implications." Executive Order 13132 defines the term "policies that have federalism implications" to include regulations that have "substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government." Under Executive Order 13132, NHTSA may not issue a regulation that has federalism implications, that imposes substantial direct compliance costs, and that is not required by statute, unless the Federal government provides the funds necessary to pay the direct compliance

costs incurred by State and local governments, or NHTSA consults with State and local officials early in the process of developing the proposed regulation.

The amendments adopted in this final rule will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government as specified in Executive Order 13132. The reason is that this final rule applies to importers of motor vehicles and registered importers, not to State or local governments. Thus, the requirements of section 6 of the Executive Order do not apply to this rulemaking action.

D. National Environmental Policy Act

NHTSA has analyzed this action for purposes of the National Environmental Policy Act. The action would not have a significant effect upon the environment because the fee adjustments being adopted have no environmental implications.

E. Executive Order 12778 (Civil Justice Reform)

Pursuant to Executive Order 12988 "Civil Justice Reform," this agency has considered whether the amendments adopted in this final rule will have any retroactive effect. NHTSA concludes that those amendments will not have any retroactive effect. Judicial review of the final rule may be obtained pursuant to 5 U.S.C. 702. That section does not require that a petition for reconsideration be filed prior to seeking judicial review.

F. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) 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 the base year of 1995). Before promulgating a rule for which a written assessment is needed, Section 205 of the UMRA generally requires NHTSA to identify and consider a reasonable number of regulatory alternatives and to adopt the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule. The provisions of Section 205 do not apply when they are inconsistent with

applicable law. Moreover, Section 205 allows NHTSA to adopt an alternative other than the least costly, most cost-effective or least burdensome alternative if the agency publishes with the final rule an explanation why that alternative was not adopted. Because this final rule will not require the expenditure of resources beyond \$100 million annually, this action is not subject to the requirements of Sections 202 and 205 of the UMRA.

G. Paperwork Reduction Act

Under the Paperwork Reduction Act of 1995, a person is not required to respond to a collection of information by a Federal agency unless the collection displays a valid OMB control number. This final rule will require no information collections.

H. Executive Order 13045

Executive Order 13045 applies to any rule that (1) is determined to be "economically significant" as defined under E.O. 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 rule is preferable to other potentially effective and reasonably feasible alternatives considered by us. This rulemaking is not economically significant.

I. National Technology Transfer and Advancement Act

Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA), Public Law 104-113, section 12(d) (15 U.S.C. 272) directs NHTSA to use voluntary consensus standards in its regulatory activities unless doing so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., materials specifications, test methods, sampling procedures, and business practices) that are developed or adopted by voluntary consensus standards bodies, such as the Society of Automotive Engineers (SAE). The NTTAA directs the agency to provide Congress, through the OMB, explanations when we decide not to use available and applicable voluntary consensus standards.

After conducting a search of available sources, we have concluded that there are no voluntary consensus standards applicable to this final rule.

J. Privacy Act

Anyone is able to search the electronic form of all submissions received into any of our dockets by the name of the individual submitting the comment or petition (or signing the comment or petition, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477-78) or you may visit <http://dms.dot.gov>.

K. 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 that appears in the heading on the first page of this document to find this action in the Unified Agenda.

List of Subjects in 49 CFR Part 594

Imports, Motor vehicle safety, Motor vehicles.

■ In consideration of the foregoing, part 594, Schedule of Fees Authorized by 49 U.S.C. 30141, in Title 49 of the Code of Federal Regulations is amended as follows:

PART 594—SCHEDULE OF FEES AUTHORIZED BY 49 U.S.C. 30141

■ 1. The authority citation for part 594 continues to read as follows:

Authority: 49 U.S.C. 30141, 31 U.S.C. 9701; delegation of authority at 49 CFR 1.50.

■ 2. Section 594.6 is amended by;

■ (a) Revising the introductory text of paragraph (a);

■ (b) Revising paragraph (b);

■ (c) Revising paragraph (d);

■ (d) Revising the second sentence of paragraph (h); and

■ (e) Revising paragraph (i) to read as follows:

§ 594.6 Annual fee for administration of the registration program.

(a) Each person filing an application to be granted the status of a Registered Importer pursuant to part 592 of this chapter on or after October 1, 2006, must pay an annual fee of \$677, as calculated below, based upon the direct and indirect costs attributable to:

* * * * *

(b) That portion of the initial annual fee attributable to the processing of the application for applications filed on and after October 1, 2006, is \$266. The sum of \$266, representing this portion, shall

not be refundable if the application is denied or withdrawn.

* * * * *

(d) That portion of the initial annual fee attributable to the remaining activities of administering the registration program on and after October 1, 2006, is set forth in paragraph (i) of this section. This portion shall be refundable if the application is denied, or withdrawn before final action upon it.

* * * * *

(h) * * * This cost is \$17.07 per man-hour for the period beginning October 1, 2006.

(i) Based upon the elements and indirect costs of paragraphs (f), (g), and (h) of this section, the component of the initial annual fee attributable to administration of the registration program, covering the period beginning October 1, 2006, is \$411. When added to the costs of registration of \$266, as set forth in paragraph (b) of this section, the costs per applicant to be recovered through the annual fee are \$677. The annual renewal registration fee for the period beginning October 1, 2006, is \$570.

■ 3. Section 594.7 is amended by revising paragraph (e) to read as follows:

§ 594.7 Fee for filing petition for a determination whether a vehicle is eligible for importation.

* * * * *

(e) For petitions filed on and after October 1, 2006, the fee payable for seeking a determination under paragraph (a)(1) of this section is \$175. The fee payable for a petition seeking a determination under paragraph (a)(2) of this section is \$800. If the petitioner requests an inspection of a vehicle, the sum of \$827 shall be added to such fee. No portion of this fee is refundable if the petition is withdrawn or denied.

* * * * *

■ 4. Section 594.8 is amended by revising paragraph (b) and the first sentence of paragraph (c) to read as follows:

§ 594.8 Fee for importing a vehicle pursuant to a determination by the Administrator.

* * * * *

(b) If a determination has been made pursuant to a petition, the fee for each vehicle is \$208. The direct and indirect costs that determine the fee are those set forth in §§ 594.7(b), (c), and (d).

(c) If a determination has been made on or after October 1, 2006, pursuant to the Administrator's initiative, the fee for each vehicle is \$125. * * *

■ 5. Section 594.9 is amended by revising paragraph (c) to read as follows:

§ 594.9 Fee for reimbursement of bond processing costs.

* * * * *

(c) The bond processing fee for each vehicle imported on and after October 1, 2006, for which a certificate of conformity is furnished, is \$9.77.

■ 6. Section 594.10 is amended by revising paragraph (d) to read as follows:

§ 594.10 Fee for review and processing of conformity certificate.

* * * * *

(d) The review and processing fee for each certificate of conformity submitted on and after October 1, 2006 is \$13. However, if the vehicle covered by the certificate has been entered electronically with the U.S. Department of Homeland Security through the Automated Broker Interface and the registered importer submitting the certificate has an e-mail address, the fee for the certificate is \$6, provided that the fee is paid by a credit card issued to the registered importer. If NHTSA finds that the information in the entry or the certificate is incorrect, requiring further processing, the processing fee shall be \$48.

Issued on: July 28, 2006.

Nicole R. Nason,
Administrator.

[FR Doc. E6-12497 Filed 8-2-06; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 060216044-6044-01; I.D. 072806D]

Fisheries of the Exclusive Economic Zone Off Alaska; "Other Rockfish" in the Central Regulatory Area of the Gulf of Alaska

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

ACTION: Temporary rule; prohibition of retention.

SUMMARY: NMFS is prohibiting retention of "other rockfish" in the Central Regulatory Area of the Gulf of Alaska (GOA). NMFS is requiring that catch of "other rockfish" in this area be treated in the same manner as prohibited species and discarded at sea with a minimum of injury. This action is necessary because the 2006 total

allowable catch (TAC) of "other rockfish" in this area has been reached.

DATES: Effective 1200 hrs, Alaska local time (A.l.t.), July 31, 2006, until 2400 hrs, A.l.t., December 31, 2006.

FOR FURTHER INFORMATION CONTACT: Jennifer Hogan, 907-586-7228.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the GOA exclusive economic zone according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679.

The 2006 TAC of "other rockfish" in the Central Regulatory Area of the GOA is 386 metric tons as established by the 2006 and 2007 harvest specifications for groundfish of the GOA (71 FR 10870, March 3, 2006). "Other rockfish" includes slope rockfish and demersal shelf rockfish.

In accordance with § 679.20(d)(2), the Administrator, Alaska Region, NMFS, has determined that the "other rockfish" TAC in the Central Regulatory Area of the GOA has been reached. Therefore, NMFS is requiring that further catches of "other rockfish" in the Central Regulatory Area of the GOA be treated as prohibited species in accordance with § 679.21(b).

Classification

This action responds to the best available information recently obtained from the fishery. The Assistant Administrator for Fisheries, NOAA (AA), finds good cause to waive the requirement to provide prior notice and opportunity for public comment pursuant to the authority set forth at 5 U.S.C. 553(b)(3) as such requirement is impracticable and contrary to the public interest. This requirement is impracticable and contrary to the public interest as it would prevent NMFS from responding to the most recent fisheries data in a timely fashion and would delay the prohibition of retention of "other rockfish" in the Central Regulatory Area of the GOA. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data only became available as of July 28, 2006.

The AA also finds good cause to waive the 30-day delay in the effective date of this action under 5 U.S.C. 553(d)(3). This finding is based upon the reasons provided above for waiver of

prior notice and opportunity for public comment.

This action is required by § 679.20 and is exempt from review under Executive Order 12866.

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

Dated: July 28, 2006.

Alan D. Risenhoover,

Acting Director, Office of Sustainable

Fisheries, National Marine Fisheries Service.

[FR Doc. 06-6664 Filed 7-31-06; 2:20 pm]

BILLING CODE 3510-22-S

Proposed Rules

Federal Register

Vol. 71, No. 149

Thursday, August 3, 2006

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

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Part 250

RIN 0584-AD45

Management of Donated Foods in Child Nutrition Programs, the Nutrition Services Incentive Program, and Charitable Institutions; Extension of Comment Period

AGENCY: Food and Nutrition Service, USDA.

ACTION: Proposed rule; extension of public comment period.

SUMMARY: The Food and Nutrition Service, USDA, is extending the public comment period on the proposed rule entitled "Management of Donated Foods in Child Nutrition Programs, the Nutrition Services Incentive Program, and Charitable Institutions," which was published in the **Federal Register** on June 8, 2006 at 71 FR 33344. This document extends the public comment period from August 7, 2006 to September 7, 2006, in order to provide the public additional time to review the proposed rule.

DATES: Comments must be received on or before September 7, 2006.

ADDRESSES: Comments may be submitted, identified by RIN number 0584-AD45, by any of the following methods:

E-mail: Send comments to Robert.Delorenzo@fns.usda.gov. Include RIN number 0584-AD45 in the subject line of the message.

Fax: Submit comments by facsimile transmission to (703) 305-2420. Disk or CD-ROM: Submit comments on disk or CD-ROM to Lillie F. Ragan, Assistant Branch Chief, Policy Branch, Food Distribution Division, Food and Nutrition Service, U.S. Department of Agriculture, Room 500, 3101 Park Center Drive, Alexandria, Virginia 22302-1594.

Mail: Send comments to Lillie F. Ragan at the above address.

Hand Delivery or Courier: Deliver comments to the above address.

Federal eRulemaking Portal: Go to <http://www.regulations.gov>. Follow the online instructions for submitting comments.

FOR FURTHER INFORMATION CONTACT: For questions about this proposed rule, contact Lillie F. Ragan at the above address or telephone (703) 305-2662.

Dated: July 27, 2006.

George A. Braley,

Associate Administrator, Food and Nutrition Service.

[FR Doc. E6-12494 Filed 8-2-06; 8:45 am]

BILLING CODE 3410-30-P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Part 1483

RIN 0551-AA68

Quality Samples Program

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Proposed rule.

SUMMARY: This proposed rule would establish regulations applicable to the Quality Samples Program (QSP). The proposed regulations set forth details concerning program administration, including participant eligibility, application requirements, review and allocation process, reimbursement rules and procedures, and program controls.

DATES: Comments concerning this rule should be received on or before October 2, 2006 to be assured consideration.

ADDRESSES: Comments must be submitted to Director, Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, Stop 1042, 1400 Independence Ave., SW., Washington, DC 20250-1042; by phone at (202) 720-4327; by fax at (202) 720-9361; or by e-mail at mosadmin@fas.usda.gov.

FOR FURTHER INFORMATION CONTACT: Marketing Operations Staff by phone at (202) 720-4327; by fax at (202) 720-9361; or by e-mail at mosadmin@fas.usda.gov.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This rule is issued in conformance with Executive Order 12866. It has been determined non-significant for the purposes of Executive Order 12866.

Regulatory Flexibility Act

It has been determined that the Regulatory Flexibility Act is not applicable to this rule because the Commodity Credit Corporation is not required by any provision of law to publish a notice of proposed rulemaking with respect to the subject matter of this rule.

Executive Order 12988

This proposed rule has been reviewed in accordance with Executive Order 12988, Civil Justice Reform. The rule would have preemptive effect with respect to any State or local laws, regulations or policies which conflict with such provisions or which otherwise impede their full implementation; would not have retroactive effect, and does not require administrative proceedings before suit may be filed.

Executive Order 12372

This program is not subject to the provisions of Executive Order 12372, which require intergovernmental consultation with State and local offices (See the notice related to 7 CFR part 3014, subpart V, published at 48 FR 29115).

The Unfunded Mandates Reform Act of 1995

This rule contains no Federal mandates under the regulatory provisions of Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) for State, local and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 204 of the UMRA.

Executive Order 13132

It has been determined that this rule does not have sufficient Federalism implications to warrant the preparation of a Federalism impact statement. The provisions contained in this rule will not have a substantial direct effect on States or their political subdivisions, or on the distribution of power and responsibilities among the various levels of government.

Paperwork Reduction Act of 1995

In accordance with section 3507(j) of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Commodity Credit Corporation (CCC) requests approval of a new information collection in support of the Quality Samples Program.

Title: Quality Samples Program.

OMB Control Number: Not yet assigned.

Type of Request: Approval of an information collection.

Abstract: This information is needed to administer CCC's Quality Sample Program. The information will be gathered from applicants desiring to receive grants under the program to determine the viability of requests for funds.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 32 hours per year per respondent.

Respondents: U.S. government agencies, State government agencies, non-profit trade associations, agricultural cooperatives, and private companies.

Estimated Number of Respondents: 30.

Estimated Number of Responses per Respondent: 5.

Estimated Total Annual Burden on Respondents: 960 hours.

Proposed topics for comments are: (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; or (d) 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. Comments should be sent to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 and to: Director, Marketing Operations Staff, Foreign Agricultural Service, Stop 1042, U.S. Department of Agriculture, 1400 Independence Ave., SW., Washington, DC 20250-1042.

Copies of this information collection may be obtained from Tamoria Thompson, FAS' Information Collection Coordinator, at (202) 690-1690.

Government Paperwork Elimination Act

The Foreign Agricultural Service is committed to compliance with the Government Paperwork Elimination Act (GPEA), which requires Government agencies, in general, to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. Accordingly, applications for participation in the Quality Samples Program may be submitted online. Payment transactions will be handled both electronically and in paper form.

Background

Section 5(f) of the CCC Charter Act, 15 U.S.C. 714c(f) authorizes CCC to aid in the development and expansion of export markets for U.S. agricultural commodities. The QSP is intended to accomplish this market development by assisting U.S. entities provide commodity samples to potential foreign importers to promote better understanding and appreciation for the high quality of U.S. agricultural products. The QSP is administered by personnel of the Foreign Agricultural Service.

List of Subjects in 7 CFR Part 1483

Agriculture commodities, Exports.

Accordingly, CCC proposes to amend Title 7 of the Code of Federal Regulations by adding a new part 1483 to read as follows:

PART 1483—QUALITY SAMPLES PROGRAM

Sec.

1483.1 What is the Quality Samples Program?

1483.2 What special definitions apply to the QSP?

1483.3 Who can apply to the QSP?

1483.4 What type of activity is appropriate for the QSP?

1483.5 What may be reimbursed under the QSP?

1483.6 What is the process for submitting proposals?

1483.7 How are proposals evaluated?

1483.8 How are agreements formalized?

1483.9 How are payments made?

1483.10 What are the reporting requirements?

1483.11 How is program compliance monitored?

1483.12 Miscellaneous provisions

Authority: Section 5(f) of CCC Charter Act, 15 U.S.C. 714(c)(f).

§ 1483.1 What is the Quality Samples Program?

The Quality Samples Program (QSP) is designed to encourage the development and expansion of export markets for U.S. agricultural

commodities by assisting U.S. entities in providing commodity samples to potential foreign importers to promote a better understanding and appreciation for the high quality of U.S. agricultural commodities. The QSP is administered by personnel of the Foreign Agricultural Service (FAS). Under the QSP, a participant would provide information to target audiences regarding the attributes, characteristics, and proper use of U.S. agricultural commodities.

§ 1483.2 What special definitions apply to the QSP?

For purposes of this part, the following definitions apply:

Activity—A project undertaken to provide an appropriate sample of a U.S. agricultural commodity and appropriate technical assistance to a foreign importer, or a group of foreign importers, in a given market.

Affiliate—Any partnership, association, company, corporation, trust, or any other such party in which the participant or its membership has an investment, other than in a mutual fund.

CCC—Commodity Credit Corporation.

Eligible Organization—Any United States private or government entity with a demonstrated role or interest in exporting U.S. agricultural commodities.

FAS—Foreign Agricultural Service, United States Department of Agriculture.

QSP—Quality Samples Program.

Sample—A U.S. agricultural commodity provided to a foreign importer, or group of foreign importers in quantities less than a typical commercial sale and limited to the amount sufficient to achieve the goals of an activity approved by CCC.

UES—Unified Export Strategy.

§ 1483.3 Who can apply to the QSP?

Any United States private or government entity with an interest in exporting U.S. agricultural commodities may apply to the program. Government organizations include Federal, State, and local agencies. Private organizations include non-profit trade associations, universities, agricultural cooperatives, state regional trade groups, and profit-making entities.

§ 1483.4 What type of activity is appropriate for the QSP?

(a) In order to be approved for funding under this part:

(1) A QSP activity must provide broad benefit to the represented U.S. industry and not to a specific company or brand;

(2) A QSP activity must target a single market/commodity combination and develop a new market for a U.S.

product, promote a new U.S. product, or promote a new use for a U.S. product, rather than promote the substitution of one established U.S. product for another;

(3) Samples provided under a QSP activity must represent commodities that are in sufficient supply and available on a commercial basis;

(4) A QSP activity shall either subject the commodity sample to further processing or substantial transformation in the importing country, or the sample must be used in technical seminars designed to demonstrate to an appropriate target audience the proper preparation or use of the sample in the creation of an end product;

(5) Samples provided in a QSP activity shall not be directly used as part of a retail promotion or supplied directly to consumers. However, the end product, i.e., the product resulting from further processing, substantial transformation, or a technical seminar, may be provided to end-use consumers to demonstrate to importers consumer preference for that end product; and,

(6) A QSP activity must include the provision of technical assistance to facilitate successful use of the sample by the target audience.

(b) QSP activities shall target foreign importers or entities that meet at least one of the following criteria:

(1) Have not previously purchased the U.S. commodity that will be sampled under the QSP;

(2) Are unfamiliar with the variety, quality attribute, or end-use characteristic of the U.S. commodity which will be sampled under the QSP;

(3) Have been unsuccessful in previous attempts to import, process, and market the U.S. commodity which will be sampled under the QSP (because of improper specification, blending, or formulation; or sanitary or phytosanitary issues); or

(4) Need technical assistance in processing or using the U.S. commodity that will be sampled under the QSP.

§ 1483.5 What may be reimbursed under the QSP?

(a) Each QSP participant is responsible for procuring (or arranging for the procurement of) commodity samples, transporting the samples from the point of purchase to the destination, and providing at the destination the technical assistance necessary to facilitate successful use of the samples by the target audience. Participants that are funded under this announcement may seek reimbursement for the sample purchase price and the costs of transporting the samples domestically to the port of export and then to the

foreign port, or point of entry.

Transportation costs from the foreign port, or point of entry to the final destination will not be eligible for reimbursement. CCC will not reimburse the costs incidental to purchasing and transporting samples, for example, inspection or documentation fees. Although providing technical assistance is required for all projects, CCC will not reimburse the costs of providing technical assistance. A QSP participant will be reimbursed after CCC reviews its reimbursement claim and determines that the claim is complete.

(b) The number of activities per participant will not be limited. However, individual activities will be limited to \$75,000 of QSP reimbursement. Activities comprised of technical preparation seminar, i.e., projects that do not include further processing or substantial transformation, will be limited to \$15,000 of QSP reimbursement as these projects require smaller samples. CCC will not reimburse expenditures made prior to approval or a proposal or unreasonable expenditures.

§ 1483.6 What is the process for submitting proposals?

(a) CCC will periodically announce that it is accepting proposals for participation in the QSP. The announcement will contain relevant information such as application deadlines. Proposals must be submitted in accordance with the terms of the announcement.

(b) Organizations can submit applications to CCC through FAS' Unified Export Strategy (UES) application Internet Web site. Applicants also have the option of submitting electronic versions in the UES format (along with two paper copies) of their applications. However, the UES format is not required.

(c) To be considered for the QSP, an applicant must submit information detailed in this part. In addition, all applicants must submit a Dun and Bradstreet Data Universal Numbering System (DUNS) number. An applicant may request a DUNS number at no cost by calling the dedicated toll-free DUNS number request line at 1-866-705-5711. Incomplete applications and applications which do not otherwise conform to this part will not be accepted for review.

(d) Applicants to the QSP are not required to submit proposals in any specific format; however, proposals should contain, at a minimum, the following:

(1) Organizational information, including:

(i) Organization's name, address, Chief Executive Officer (or designee), Federal Tax Identification Number (TIN), and DUNS number;

(ii) Type of organization;

(iii) Name, telephone number, fax number, and e-mail address of the primary contact person;

(iv) A description of the organization and its membership;

(v) A description of the organization's prior export promotion experience; and

(vi) A description of the organization's experience in implementing an appropriate trade/technical assistance component;

(2) Market information, including:

(i) An assessment of the market;

(ii) A long-term strategy in the market; and

(iii) U.S. export value, volume and market share (historic and goals) for the time period specified in the applicable announcement;

(3) Project information, including:

(i) A brief activity title;

(ii) Amount of funding requested;

(iii) A brief description of the specific market development trade constraint or opportunity to be addressed by the activity, performance measures for the time period specified in the applicable announcement, which will be used to measure the effectiveness of the project, a benchmark performance measure as specified in the applicable announcement, the viability of long term sales to this market, the goals of the activity, and the expected benefits to the represented industry;

(iv) A description of the activities planned to address the constraint or opportunity, including how the sample will be used in the end-use performance trial, the attributes of the sample to be demonstrated and its end-use benefit, and details of the technical servicing component (including who will provide and who will fund this component);

(v) A sample description (i.e., commodity, quantity, quality, type, and grade), including a justification for selecting a sample with such characteristics (this justification should explain in detail why the activity could not be effective with a smaller sample);

(vi) An itemized list of all estimated costs associated with the activity for which reimbursement will be sought;

(vii) The importer's role in the activity, including its handling and processing of the commodity sample; and

(viii) Information indicating all funding sources and amounts to be contributed by each entity that will supplement implementation of the proposed project. This may include the organization that submitted the

proposal, private industry entities, host governments, foreign third parties, CCC, FAS, or other Federal agencies. Contributed resources may include cash or goods and services.

§ 1483.7 How are proposals evaluated?

(a) All proposals will be reviewed against the evaluation criteria contained herein and funds will be awarded on a competitive basis. FAS will use the following criteria in evaluating proposals:

(1) The ability of the organization to provide an experienced staff with the requisite technical and trade experience to execute the proposal;

(2) The extent to which the proposal is targeted to a market in which the United States is generally competitive;

(3) The potential for expanding commercial sales in the proposed market;

(4) The nature of the specific market constraint or opportunity involved and how well it is addressed by the proposal;

(5) The extent to which the importer's contribution in terms of handling and processing enhances the potential outcome of the project;

(6) The amount of reimbursement requested and the organization's willingness to contribute resources, including cash and goods and services of the U.S. industry and foreign third parties; and

(7) How well the proposed technical assistance component assures that performance trials will effectively demonstrate the intended end-use benefit.

(b) Highest priority for funding will be given to meritorious proposals that target countries that meet either of the following criteria:

(1) Per capita income as set forth in the applicable announcement; and population greater than 1 million. Proposals may address suitable regional groupings, for example, the islands of the Caribbean Basin; or

(2) U.S. market share of imports of the commodity identified in the proposal of 10 percent or less.

(c) Proposals will be evaluated by the applicable FAS commodity division. The divisions will review each proposal against the factors described above. The purpose of this review is to identify meritorious proposals, recommend an appropriate funding level for each proposal based upon these factors, and submit the proposals and funding recommendations to the Deputy Administrator, Commodity and Marketing Programs.

§ 1483.8 How are agreements formalized?

(a) Under the QSP, CCC enters into agreements with approved participants to share the costs of certain overseas marketing and promotion activities. Funding for successful proposals will be provided through specific agreements. These agreements will incorporate the regulations of this part 1483 and the proposal as approved by CCC. Amendments to these agreements are only valid if approved by CCC in writing.

(b) CCC, through FAS, will notify each applicant in writing of the final disposition of its application. CCC will send an approval letter and agreement to each approved applicant. The approval letter and agreement will specify the terms and conditions applicable to the project, including the levels of QSP funding and any cost-share contribution requirements. Agreements may also outline specific responsibilities of the participant, including, but not limited to, arranging for transportation of the commodity sample within a time limit specified in the agreement and timely and effective implementation of technical assistance.

(c) Termination of agreements: CCC reserves the right to unilaterally terminate QSP agreements where CCC has a reasonable basis for concluding that there has been a violation of any requirements in this part.

§ 1483.9 How are payments made?

Financial assistance will be made available on a reimbursement basis; that is, cash advances will not be made available to any QSP participant.

(a) Following the implementation of an activity for which CCC has agreed to provide funding, a participant may submit claims for reimbursement of eligible expenses to the extent that CCC has agreed to pay such expenses. Any changes to approved activities must be approved in writing, and in advance, by CCC before any reimbursable expenses associated with the change can be incurred. A participant will be reimbursed after CCC reviews the claim and determines that it is complete.

(b) All claims for reimbursement must be received no later than 90 calendar days following the expiration or termination date of the project agreement.

(c) Participants shall maintain complete records which fully identify all project expenditures by QSP agreement number, project year, country or region, activity number and cost category. Such records shall be accompanied by original documentation which supports the expenditures and

shall be made available to CCC upon request.

(d) Participants shall maintain all records and documents relating to QSP projects, including the original documentation which supports expenditures and reimbursement claims, for a period of three calendar years following the expiration or termination date of the project agreement, and shall make such records and documents available upon request to authorized officials of the U.S. Government. Such records and documents will be subject to verification by the FAS Compliance Review Staff (CRS).

(e) CCC may deny a claim for reimbursement or may disallow a claim for reimbursement that has already been paid for any of the following reasons:

(1) The claim for reimbursement is not supported by acceptable documentation;

(2) Project funds were spent on unapproved activities;

(3) The participant violated a provision of these regulations, including section 1483.12(b).

(f) In the event that a reimbursement claim is overpaid or is disallowed after payment has been made, the participant shall return the overpayment amount or the disallowed amount to the CCC within 30 days after realizing the overpayment or receiving notification of the overpayment or disallowed amount, unless the participant avails itself of the procedures set forth in § 1483.11(d)–(i).

§ 1483.10 What are the reporting requirements?

The QSP participant must submit a written evaluation report within 90 days of the expiration of its QSP agreement. Evaluation reports should address all performance measures that were presented in the proposal.

§ 1483.11 How is program compliance monitored?

(a) QSP agreements are subject to review and verification by the CRS. Upon request, a QSP participant shall provide to CCC the original documents which support the participant's reimbursement claims.

(b) CRS performs periodic on-site reviews of QSP participants to ensure compliance with this part, applicable federal regulations, and the terms of the project agreement.

(c) The Director, CRS, will notify a QSP participant through a compliance report when, in the opinion of the Director, CRS, it appears based on CRS' review or other acceptable sources of information, including but limited to, USDA's Office of the Inspector General

or other federal or state government agencies, that CCC is entitled to recover funds from the participant. The report will state the basis for this action. Upon receipt of the compliance report, that participant will return the funds to CCC within 30 days as set forth in § 1483.9(f), unless the participant wishes to pursue the procedures set forth below in paragraphs (d) through (i) of this section.

(d) A participant may within 60 days of the date of the compliance report, submit a written response to the Director, CRS. The Director, CRS, at his or her discretion, may extend the period for response up to an additional 30 days. The response shall include:

(1) Repayment of any funds determined to be due to CCC;

(2) Submission of documentation or evidence or any other required action; or

(3) A request for reconsideration of any finding and the supporting justification for the request.

(e) If after review of the compliance report and response, the Director, CRS determines that the participant owes money to CCC, the Director, CRS, will so inform the participant and provide a detailed basis for the decision. The participant has 30 days from the date of the Director's, CRS, determination to submit any money owed to CCC or to request reconsideration.

(f) If the participant does not respond to the compliance report within the required time period, the Director, CRS, may initiate action to collect any amount owed to CCC pursuant to 7 CFR part 1403, Debt Settlement Policies.

(g) A participant may appeal the determinations of the Director, CRS, to the Deputy Administrator, CMP. The request must be in writing and be submitted to the Office of the Deputy Administrator, CMP, within 30 days following the date of the original determination. The participant may request a hearing.

(h) If the participant submits its appeal and requests a hearing, the Deputy Administrator, or the Deputy Administrator's designee, will set a date and time, generally within 60 days. The hearing will be an informal proceeding. A transcript will not ordinarily be prepared unless the participant bears the cost of the transcript; however, the Deputy Administrator or designee may have a transcript prepared at FAS's expense.

(i) The Deputy Administrator or the Deputy Administrator's designee will base the determination on appeal upon information contained in the administrative record and will endeavor to make a determination within 60 days

after submission of the appeal, hearing, or receipt of any transcript, whichever is later. The determination of the Deputy Administrator will be the final determination of FAS. The participant must exhaust all administrative remedies contained in this section before pursuing judicial review of a determination by the Deputy Administrator.

§ 1483.12 Miscellaneous provisions.

(a) *Disclosure of Program Information.*

(1) Documents submitted to CCC by participants are subject to the provisions of the Freedom of Information Act (FOIA), 5 U.S.C. 552, 7 CFR part 1, subpart A—Official Records, and specifically 7 CFR 1.11, "Handling Information from a Private Business."

(b) *Ethical Conduct.*

(1) A participant shall conduct business overseas in accordance with the laws and regulations of the country in which an activity is carried out.

(2) A participant shall not use program activities or program funds to promote private self-interests or to conduct private business.

(3) Participants, members of the participating organization, and their affiliates are prohibited from using any association with this program to make export sales of any agricultural commodities or products covered under the terms of the agreement and from using any association with this program to charge a fee for facilitating an export sale of any agricultural commodities or products covered under the terms of the agreement. A participant may, however, collect check-off funds and membership fees that are required for membership in the participating organization.

(4) A participant shall immediately report any actions or circumstances that have a bearing on the propriety of the program in writing to the FAS.

(c) *Additional Program Requirements.* QSP participants are required to comply with cargo preference requirements (shipment on U.S. flag vessels, as required) and compliance with Fly America Act requirements (shipment on U.S. air carriers, as required).

Dated: July 21, 2006.

Michael W. Yost,

*Administrator, Foreign Agricultural Service,
and Vice President, Commodity Credit Corporation.*

[FR Doc. 06-6652 Filed 8-2-06; 8:45 am]

BILLING CODE 3410-10-M

NUCLEAR REGULATORY COMMISSION

10 CFR Parts 20, 30, 31, 32, 33, 35, 50, 61, 62, 72, 110, 150, 170 and 171

RIN 3150-AH84

Requirements for Expanded Definition of Byproduct Material; Meeting

AGENCY: U.S. Nuclear Regulatory Commission.

ACTION: Proposed rule; meeting.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has published a proposed rule on the Requirements for the Expanded Definition of Byproduct Material (also known as the NARM rulemaking) for public comment (71 FR 42952; July 28, 2006). The public comment period runs from July 28 thru September 11, 2006. As part of the public comment process, the NRC plans to hold a transcribed public meeting to solicit comments on the proposed rule. The meeting is open to the public, and all interested parties may attend. The meeting will be held at the NRC's William Oldstead High-Level Waste Hearing Facility in Las Vegas, Nevada. During the comment period, comments may also be mailed to the NRC or submitted via fax or e-mail.

DATES: August 22, 2006, from 9 a.m. to 12 p.m. (PT) in Las Vegas, NV.

ADDRESSES: The meeting will be held at the NRC's William Oldstead High-Level Waste Hearing Facility—Pacific Enterprise Plaza, Building No. 1, 3250 Pepper Lane, Las Vegas, Nevada 89120.

FOR FURTHER INFORMATION CONTACT: Lydia Chang, telephone: (301) 415-6319, e-mail: lwc1@nrc.gov or Jayne McCausland, telephone: (301) 415-6219, e-mail: jmm2@nrc.gov of the Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001. Attendees are requested to notify Jayne McCausland, telephone: (301) 415-6219, e-mail: jmm2@nrc.gov to preregister for the meetings. You will be able to register at the meetings, as well.

SUPPLEMENTARY INFORMATION: The purpose of the meeting is to obtain stakeholder comments on the Proposed Rule for Requirements for Expanded Definition of Byproduct Material. Section 651(e) of the Energy Policy Act of 2005 expanded the definition of byproduct material in Section 11e. of the Atomic Energy Act of 1954 to include certain naturally occurring and accelerator-produced radioactive material (NARM) and required the NRC to provide a regulatory framework for licensing and regulating NARM. The

proposed rule would require persons owning, using, or otherwise engaging in activities involving discrete sources of radium-226 or accelerator-produced radioactive material to comply with NRC regulations in Title 10 of the Code of Federal Regulations.

Agenda: Welcome—10 minutes; NRC Staff Presentation on Proposed Rule Requirements—30 minutes; Public Comment—remainder. To ensure that everyone who wishes has the chance to comment, we may impose a time limit on speakers.

Those planning to attend the meeting are encouraged to preregister for the meeting by notifying Ms. Jayne M. McCausland, telephone: (301) 415-6219, fax: (301) 415-5369, or e-mail: jmm2@nrc.gov. If an attendee will require special services, such as services for the hearing impaired, please notify Ms. McCausland of these requirements when preregistering.

Attendees at this public meeting will be subject to security screening prior to entering the hearing facility. Attendees should plan to arrive approximately 30 minutes prior to the meeting. There is no food or drink (other than water) allowed in the hearing facility. Parking in front of the building is limited, but ample street parking is available nearby on Pepper Lane and Sage Brush.

Dated at Rockville, Maryland, this 28th day of July, 2006.

For the Nuclear Regulatory Commission.

Charles Miller,

Director, Division of Industrial, Medical, Nuclear Safety, Office of Nuclear Material Safety and Safeguards.

[FR Doc. E6-12517 Filed 8-2-06; 8:45 am]

BILLING CODE 7590-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2006-24452; Directorate Identifier 2006-NE-11-AD]

RIN 2120-AA64

Airworthiness Directives; Pratt & Whitney PW2000 Series Turbofan Engines

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for Pratt & Whitney PW2000 series turbofan engines. This proposed AD would

require a onetime focused visual and fluorescent penetrant inspection (FPI) of 21 suspect PW2000 8th stage high pressure compressor (HPC) drum rotor disk assemblies. This proposed AD results from a PW2037 8th stage HPC drum rotor disk assembly failure event caused by tooling damage that occurred during disk assembly manufacture. We are proposing this AD to prevent 8th stage HPC drum rotor disk assembly failure that could result in an uncontained engine failure and damage to the airplane.

DATES: We must receive any comments on this proposed AD by October 2, 2006.

ADDRESSES: Use one of the following addresses to comment on this proposed AD.

- DOT Docket Web site: Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically.
- Government-wide rulemaking Web site: Go to <http://www.regulations.gov> and follow the instructions for sending your comments electronically.
- Mail: Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC 20590-0001.
- Fax: (202) 493-2251.
- Hand Delivery: Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

You can get the service information identified in this proposed AD from Pratt & Whitney, 400 Main St., East Hartford, CT 06108; telephone (860) 565-8770; fax (860) 565-4503.

You may examine the comments on this proposed AD in the AD docket on the Internet at <http://dms.dot.gov>.

FOR FURTHER INFORMATION CONTACT: Mark Riley, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803; telephone (781) 238-7758; fax (781) 238-7199.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send us any written relevant data, views, or arguments regarding this proposal. Send your comments to an address listed under **ADDRESSES**. Include "Docket No. FAA-2006-24452; Directorate Identifier 2006-NE-11-AD" in the subject line of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of the proposed AD. We will consider all comments received by the

closing date and may amend the proposed AD in light of those comments.

We will post all comments we receive, without change, to <http://dms.dot.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact with FAA personnel concerning this proposed AD. Using the search function of the DOT Web site, anyone can find and read the comments in any of our dockets, including the name of the individual who sent the comment (or signed the comment on behalf of an association, business, labor union, etc.). You may review the DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477-78) or you may visit <http://dms.dot.gov>.

Examining the AD Docket

You may examine the docket that contains the proposal, any comments received and, any final disposition in person at the DOT Docket Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Office (telephone (800) 647-5227) is located on the plaza level of the Department of Transportation Nassif Building at the street address stated in **ADDRESSES**. Comments will be available in the AD docket shortly after the Docket Management Facility receives them.

Discussion

On March 10, 2005, a PW2037 uncontained 8th stage HPC drum rotor disk assembly failure event occurred. The event occurred during takeoff and resulted in an inflight engine shutdown. A subsequent investigation confirmed the primary cause of the failure to be tooling damage (an improperly blended toolmark) that occurred during disk assembly manufacture. Tooling damage resulted in excessive stresses in the disk web section, which led to the disk assembly failure and uncontained engine event. Further investigation confirmed that there are 21 suspect PW2000 8th stage HPC drum rotor disk assemblies currently in service worldwide that have the potential for similar machining damage occurring during disk assembly manufacture. This machining damage could result in failure of the 8th stage HPC drum rotor disk assembly and result in an uncontained engine failure and damage to the airplane.

Relevant Service Information

We have reviewed and approved the technical contents of Pratt & Whitney

Alert Service Bulletin PW2000 A72-706, dated February 17, 2006, that describes procedures for a onetime focused visual and FPI of suspect PW2000 8th stage HPC drum rotor disk assemblies that may have been damaged during original manufacture.

FAA's Determination and Requirements of the Proposed AD

We have evaluated all pertinent information and identified an unsafe condition that is likely to exist or develop on other products of this same type design. We are proposing this AD, which would require a onetime focused visual and FPI of 21 suspect PW2000 8th stage HPC drum rotor disk assemblies. The proposed AD would require you to use the service information described previously to perform these actions.

Costs of Compliance

We estimate that this proposed AD would affect 15 engines installed on airplanes of U.S. registry. We also estimate that it would take about 70 workhours per engine to perform the proposed actions, and that the average labor rate is \$80 per workhour. We do not expect that parts will be required. Based on these figures, we estimate the total cost of the proposed AD to U.S. operators to be \$84,000 for the inspection.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701, "General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We have determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD 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.

For the reasons discussed above, I certify that the 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. Would not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a regulatory evaluation of the estimated costs to comply with this proposed AD. See the **ADDRESSES** section for a location to examine the regulatory evaluation.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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. The FAA amends § 39.13 by adding the following new airworthiness directive:

Pratt & Whitney: Docket No. FAA-2006-24452; Directorate Identifier 2006-NE-11-AD.

Comments Due Date

- (a) The Federal Aviation Administration (FAA) must receive comments on this airworthiness directive (AD) action by October 2, 2006.

Affected ADs

- (b) None.

Applicability

- (c) This AD applies to Pratt & Whitney PW2037, PW2040, PW2037M turbofan engines. These engines are installed on, but not limited to Boeing 757 airplanes.

Unsafe Condition

- (d) This AD results from a Pratt & Whitney PW2037 8th stage high-pressure compressor (HPC) drum rotor disk assembly failure event caused by tooling damage that occurred during disk assembly manufacture. We are issuing this AD to prevent 8th stage HPC drum rotor disk assembly failure that could result in an uncontained engine failure and damage to the airplane.

Compliance

- (e) You are responsible for having the actions required by this AD performed at the next shop visit, not to exceed an additional 6000 engine cycles, after the effective date of this AD, when the 8th stage HPC drum rotor disk assembly is exposed and removed from the HPC module, unless the actions have already been done.

Inspect the 8th Stage Drum Rotor Disk

- (f) Using the Accomplishment Instructions of Pratt & Whitney Alert Service Bulletin PW2000 A72-706, dated February 17, 2006, do a onetime focused visual and fluorescent penetrant inspection (FPI) of suspect 8th stage HPC drum rotor disk assemblies that may have been damaged during manufacture. Any 8th stage disk damage that exceeds the serviceable limits specified in Pratt & Whitney PW2000 Engine Manual, Part Number 1A6231, Chapter/Section 72-35-03, Inspection/Check-01/-04, can not be returned to service. Table 1 of the Accomplishment Instructions lists the part numbers and serial numbers of the HPC drum rotor disk assemblies requiring inspection.

- (g) After the effective date of this AD, do not install any uninspected 8th stage drum rotor disk assemblies listed in Table 1 of the Accomplishment Instructions of Pratt & Whitney Alert Service Bulletin PW2000 A72-706, dated February 17, 2006, in any engine.

Alternative Methods of Compliance

- (h) The Manager, Engine Certification Office, has the authority to approve alternative methods of compliance for this AD if requested using the procedures found in 14 CFR 39.19.

Issued in Burlington, Massachusetts, on July 27, 2006.

Francis A. Favara,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. E6-12539 Filed 8-2-06; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1

[REG-125071-06]

RIN 1545-BF75

Reporting Rules for Widely Held Fixed Investment Trusts

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: In this issue of the **Federal Register**, the IRS and the Treasury Department are issuing final and temporary regulations amending

§ 1.671–5 which provides reporting rules for widely held fixed investment trusts (WHFITs). The final and temporary regulations clarify and simplify reporting for trustees and middlemen of non-mortgage widely held fixed investment trusts (NMWHFITs). The text of those final and temporary regulations serves, in part, as the text of these proposed regulations. In addition to the amendments to § 1.671–5 included in the final and temporary regulations, these proposed regulations provide for the creation of a directory of NMWHFITs and trustees of widely held mortgage trusts (WHMTs). These regulations also clarify the reporting rules for market discount under the NMWHFIT safe harbor for NMWHFITs that hold debt instruments with original issue discount (OID). The preamble to these regulations also solicits comments regarding the safe harbor for WHMTs.

DATES: Written or electronic comments and requests for a public hearing must be received by October 2, 2006.

ADDRESSES: Send submissions to CC:PA:LPD:PR (REG–125071–06), Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044, or send electronically, via the IRS Internet site at <http://www.irs.gov/regs> or via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS–REG–125071–06).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Faith Colson, (202) 622–3060 (not a toll-free number); concerning submission of comments and/or requests for a public hearing, Richard A Hurst at Richard.A.Hurst@irs.counsel.treas.gov.

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

These proposed regulations amend § 1.671–5. The collection of information contained in these proposed regulations has been previously reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) under control number 1545–1540. Response to this collection of information is mandatory. The collection of information in these proposed regulations is in § 1.671–5. This information is required to be reported to beneficial owners of trust interests to enable them to correctly report their share of the items of income, deduction, and credit of the WHFIT in which they have invested. This information is also required to be reported to the IRS to enable the IRS to verify that trustees and middlemen are accurately reporting information to

beneficial owners of trust interests and that beneficial owners are properly reporting their ownership of a trust interest.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

Books or records relating to a collection of information must be retained as long as their contents might become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Background and Explanation of Provisions

On January 24, 2006, the Internal Revenue Service (IRS) and the Treasury Department published final regulations (TD 9241) under § 1.671–5 in the **Federal Register** (71 FR 4002) providing reporting rules for WHFITs. Final and temporary regulations in this issue of the **Federal Register** amend § 1.671–5. These amendments are intended to clarify and simplify the reporting required by NMWHFITs under § 1.671–5. The text of the final and temporary regulations also serves, in part, as the text of these proposed regulations. The preamble to final and temporary regulations explains the final and temporary regulations and those parts of these proposed regulations that are included in the final and temporary regulations. These proposed regulations include proposed amendments to § 1.671–5 in addition to those provided by the final and temporary regulations. The proposed amendments to § 1.671–5 that are not included in the final and temporary regulations are discussed below.

I. Proposed Directory of WHMT Trustees and NMWHFITs and Requirement That WHMT Trustees Provide a List of WHMTs for Which They Act on an Internet Web Site

Prior to the publication of the final regulations under § 1.671–5, commentators expressed concern that middlemen would not be able to identify a client's investment as an investment in a WHFIT and suggested that the IRS publish a directory or list of WHFITs that would include the name and CUSIP number of each WHFIT, along with the name, address and telephone number of the WHFIT's representative. Commentators noted that a publicly available directory or list would assist middlemen and brokers in identifying a client's investment as an

investment in a WHFIT and in locating the WHFIT's representative.

In response to these comments, the final regulations require a trustee to identify the WHFIT as either a WHMT or a NMWHFIT when providing trust information. The preamble to the final WHFIT regulations provides that the IRS and the Treasury Department are studying whether a directory or list of WHFITs can be compiled by the IRS and expressed concern that such a directory was not feasible because of the large number of WHMTs. In the preamble, the IRS and the Treasury Department requested additional comments from middlemen regarding the type of WHFITs that should be included in any directory, the type of information needed by middlemen (especially middlemen holding WHMT interests), and the format of a directory that would be most helpful. Trustees were also asked to comment regarding how the IRS could obtain the trust information needed for the directory from the trustees in the least burdensome manner.

Since the publication of the final regulations, the IRS has received additional comments regarding the need for a directory of WHFITs.

Commentators indicated that such a directory would significantly improve a middleman's ability to comply with § 1.671–5 and suggested that the IRS provide a directory of WHMT trustees and NMWHFITs, with each WHMT trustee maintaining a list of the WHMTs for which the trustee acts at an Internet Web site available to middlemen.

In response to these comments, the IRS proposes to expand Publication 938, "Real Estate Investment Conduits (REMICs) Reporting Information (and other Collateralized Debt Obligations (CDOs)), or create a separate publication to list WHMT trustees and NMWHFITs. The IRS currently intends to list NMWHFITs in this directory by trustee (listed in alphabetical order) with the NMWHFITs for which the trustee acts listed by CUSIP number, followed by any NMWHFITs, listed in alphabetical order by name which do not have CUSIP numbers. NMWHFIT trustees will be required to file Form 8811, "Information Return for REMICs and Issuers of CDO's," or a similar form to provide the IRS with the information it needs to list NMWHFITs in the directory.

The directory will also alphabetically list WHMT trustees and provide the address of the Internet Web site that lists the WHMTs for which the trustee acts. WHMT trustees will be required to file Form 8811, or similar form, to identify themselves to the IRS as a

WHMT trustee and provide an Internet Web site that lists the WHMTs for which the trustee acts. The IRS and Treasury Department continue to request comments on the need for the directory and the format to be used for the directory, as well as comments regarding how to obtain information from trustees in the least burdensome manner.

II. Clarification of Market Discount Information Required To Be Reported Under the NMWHFIT Safe Harbor

Commentators also noted the need for amendments to the information required to be reported under the NMWHFIT safe harbor with respect to market discount. If a NMWHFIT does not qualify for the reduced reporting in § 1.671–5(c)(2)(iv)(B), § 1.671–5(f)(1)(viii) requires the trustee to provide information regarding the portion of the trust that the assets sold represented. Assuming that a trust interest holder purchased its interest at a discount, it was contemplated that the trust interest holder would allocate the same portion of its discount to the sale as the assets represented to the NMWHFIT. The trust interest holder would then determine how much of the discount allocated to the sold assets had accrued since the trust interest holder purchased its interest using either a ratable or constant interest method, as appropriate.

After reviewing the comments received after the publication of TD 9241, the IRS and the Treasury Department noted that the information required to be reported under the safe harbor is incomplete with respect to a NMWHFIT holding debt instruments with original issue discount (OID). Under both the general provisions (§ 1.671–5(c)(2)(ii)(A) and (vii)) and the safe harbor (§ 1.671–5(f)(1)(vii) and (viii)), OID information is required to be calculated and provided separately from market discount. Accordingly, to enable trust interest holders to determine the amount of market discount the interest holder is to allocate to a particular sale or disposition of debt instruments by the NMWHFIT, § 1.671–5(f)(1)(viii)(A) is proposed to be amended with respect to NMWHFITs that hold debt instruments with OID, to include a requirement that trustees provide the aggregate adjusted issue price of the debt instruments held by the NMWHFIT per trust interest as of the start-up date as well as of January 1 of each subsequent year of the NMWHFIT. It is contemplated that trust interest holders will use the January 1 adjusted issue price for the year in which the trust interest holder purchased its interest to determine

whether a trust interest was acquired with market discount. So as not to require trustees to calculate information for calendar years prior to the effective date of the final regulations, the proposed regulations only apply this requirement to NMWHFITs with a start-up date (as defined in § 1.671–5(b)(19)) after January 24, 2006.

III. Request for Comments on the Expansion of the WHMT Safe Harbor

The final regulations include safe harbor reporting rules for WHMTs. Section 1.671–5(g)(1)(ii)(B) provides that, to be eligible to report under the WHMT safe harbor, all interests in the WHMT must represent the right to receive an equal pro-rata share of both the income and the principal payments received by the WHMT on the mortgages it holds and that, for example, a WHMT that holds or issues trust interests that qualify as stripped interests under section 1286 may not report under the safe harbor. Further, a WHMT that holds an interest in another WHFIT is not eligible to report under the WHMT safe harbor. See § 1.671–5(b)(11) (limiting the definition of a mortgage to exclude an interest in another WHFIT) and § 1.671–5(g)(1)(ii)(E)(1) (providing that only WHMTs that directly hold mortgages may use the safe harbor). Since the publication of the final regulations, a commentator has requested that safe harbor reporting rules be developed for WHMTs that hold or issue stripped interests and for WHMTs that hold interests in other WHMTs. The IRS and the Treasury Department will consider this request in connection with further action on this proposed regulation and request additional comments regarding the need for additional WHMT safe harbor reporting rules, the nature of the arrangements for which the additional safe harbors are needed, the safe harbor reporting suggested and how such reporting is consistent with substantive law.

Effective Date

The IRS and the Treasury Department expect to take prompt action to finalize the proposed regulations so that certain of the provisions that are only included in the proposed regulations can be made effective as of January 1, 2007 (see § 1.671–5(m)) as though the provisions were included in TD 9241. The IRS and Treasury Department invite recommendations regarding the effective date of proposed paragraphs (c)(3) (requiring trustees to file an information return with the IRS and requiring WHMT trustees to provide an Internet Web site listing the WHMTs for

which they act) and (c)(5) (providing for middlemen to refer to a directory created by the IRS), that may require some lead time for their implementation.

Special Analysis

It has been determined that these proposed regulations are not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that the regulations will not to have a significant economic impact on small entities because the reporting burdens in these regulations will fall primarily on large brokerage firms, large banks, and other large entities acting as trustees or middlemen, most of which are not small entities within the meaning of the Regulatory Flexibility Act (5 U.S.C. chapter 6). Thus, a substantial number of small entities are not expected to be affected. Therefore, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Code, these regulations will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

Comments and Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. The IRS and the Treasury Department request comments on the clarity of the proposed rules and how they can be made easier to understand. All comments will be available for public inspection and copying. A public hearing will be scheduled if requested in writing by any person that timely submits written comments. If a public hearing is scheduled, notice of the date, time, and place for the public hearing will be published in the **Federal Register**.

Drafting Information

The principal author of these regulations is Faith Colson, Office of Associate Chief Counsel (Passthroughs & Special Industries). However, other personnel from the IRS and the Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is amended as follows:

PART 1—INCOME TAXES

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

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

Par. 2. Section 1.671–5 is amended by:

1. Revising paragraphs (b)(5), (b)(8), and (b)(21).
2. Revising paragraph (c)(2)(iv), (v)(C), (vi), and (vii).
3. Revising paragraph (c)(3).
4. Adding paragraph (c)(5)(iv).
5. Revising paragraphs (f)(1)(i)(A) and (viii)(A).

The revisions and addition read as follows:

§ 1.671–5 Reporting for widely held fixed investment trusts.

* * * * *

(b) * * *

(5) [The text of proposed § 1.671–5(b)(5) is the same as the text of § 1.671–5T(b)(5) published elsewhere in this issue of the **Federal Register**.]

* * * * *

(8) [The text of proposed § 1.671–5(b)(8) is the same as the text of § 1.671–5T(b)(8) published elsewhere in this issue of the **Federal Register**.]

* * * * *

(21) [The text of proposed § 1.671–5(b)(21) is the same as the text of § 1.671–5T(b)(21) published elsewhere in this issue of the **Federal Register**.]

* * * * *

(c) * * *

(2) * * *

(iv) [The text of proposed § 1.671–5(c)(2)(iv) is the same as the text of § 1.671–5T(c)(2)(iv) published elsewhere in this issue of the **Federal Register**.]

(v) * * *

(C) [The text of proposed § 1.671–5(c)(2)(v)(C) is the same as the text of § 1.671–5T(c)(2)(v)(C) published elsewhere in this issue of the **Federal Register**.]

(vi) [The text of proposed § 1.671–5(c)(2)(vi) is the same as the text of § 1.671–5T(c)(2)(vi) published elsewhere in this issue of the **Federal Register**.]

(vii) [The text of proposed § 1.671–5(c)(2)(vii) is the same as the text of § 1.671–5T(c)(2)(vii) published elsewhere in this issue of the **Federal Register**.]

* * * * *

(3) *Requirement that trustees file an information return and that WHMT*

trustees list WHMTs on an Internet Web site—(i) Information return identifying a NMWHFIT to the IRS. For each NMWHFIT for which the trustee acts, the trustee of a NMWHFIT must file the form specified as the information return to be used for identifying a NMWHFIT to the IRS. The form must be filed by the due date provided by that form and must contain the information required to be provided by the form. If, following the publication of final regulations in the **Federal Register**, the IRS issues additional guidance that prescribes another method to be used to identify and provide information with respect to a NMWHFIT to the IRS, this method must be used.

(ii) *Information return for trustees of WHMTs and the requirement that the trustee maintain an Internet Web site listing the CUSIP numbers and names of the WHMTs for which the trustee acts.* The trustee of a NMWHFIT must file the form specified as the information return to be used for identifying the trustee to the IRS. The form must be filed by the due date provided by that form and contain the information required to be provided by the form. In addition, the trustee must maintain a list of the WHMTs for which the trustee acts on the trustee's Internet Web site (or another site designated by the trustee for this purpose). If, following the publication of final regulations in the **Federal Register**, the IRS issues additional guidance that prescribes another method to be used to identify a trustee as a WHMT trustee and provide information with respect to the WHMTs for which the trustee acts, this method must be used.

* * * * *

(5) * * *

(iv) *Directory of WHMT trustees and NMWHFITs.* The IRS provides a directory of WHMT trustees and NMWHFITs, and WHMT trustees provide an Internet Web site at which the trustees list the WHMTs for which they act, to assist requesting persons in locating a representative of a WHFIT that will provide the information specified in paragraph (c) of this section. A requesting person may report consistent with this section for any arrangement identified in the directory as a NMWHFIT or on a WHMT trustee's Internet Web site as a WHMT provided that the requesting person does not have actual knowledge that the arrangement is not a WHFIT.

(f) * * *

(1) * * *

(i) * * *

(A) [The text of proposed § 1.671–5(f)(1)(i)(A) is the same as the text of

§ 1.671–5T(f)(1)(i)(A) published elsewhere in this issue of the **Federal Register**.]

* * * * *

(viii) *Reporting market discount information under the safe harbor—(A) In general—(1) Trustee is required to provide market discount information.* If the trustee is required to provide information regarding market discount under paragraph (c)(2)(vii) of this section, the trustee must provide—

(i) The information required to be provided under paragraph (f)(1)(iv)(A)(1)(iii) of this section; and

(ii) If the NMWHFIT holds debt instruments with OID and the NMWHFIT has a start-up date on or after January 24, 2006, the aggregate adjusted issue price of the debt instruments per trust interest calculated as of the start-up date and as of January 1 for each subsequent year of the NMWHFIT.

(2) *Trustee is not required to provide market discount information.* If the trustee is not required to provide market discount information under paragraph (c)(2)(vii) of this section (because the NMWHFIT meets the *de minimis* test of paragraph (c)(2)(iv)(D)(1) of this section, the qualified NMWHFIT exception of paragraph (c)(2)(iv)(E) of this section, or the NMWHFIT final year exception of paragraph (c)(2)(iv)(F) of this section), the trustee is not required under this paragraph (f) to provide any information regarding market discount.

* * * * *

Mark E. Matthews,

Deputy Commissioner for Services and Enforcement.

[FR Doc. 06–6650 Filed 7–28–06; 4:15 pm]

BILLING CODE 4830–01–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 216

[Docket No. 060629183–6183–01; I.D. 022106A]

RIN 0648–AT39

Taking and Importing Marine Mammals; Taking Marine Mammals Incidental to Conducting Precision Strike Weapons Testing and Training by Eglin Air Force Base in the Gulf of Mexico

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

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS has received a request from Eglin Air Force Base (Eglin AFB) for an authorization to take marine mammals incidental to conducting Precision Strike Weapons (PSW) testing and training in the Gulf of Mexico (GOM). By this document, NMFS is proposing regulations to govern that take. In order to issue a Letter of Authorization (LOA) and final regulations governing the take, NMFS must determine, among other things, that the taking will have a negligible impact on the affected species and stocks of marine mammals. NMFS regulations must set forth the permissible methods of take and other means of effecting the least practicable adverse impact on the affected species or stock of marine mammals and their habitat. NMFS invites comment on the application and the regulations.

DATES: Comments and information must be postmarked no later than September 5, 2006.

ADDRESSES: You may submit comments on the application and proposed rule, using the identifier 022106A, by any of the following methods:

E-mail: PR1.022106A@noaa.gov.

Federal e-Rulemaking Portal: <http://www.regulations.gov>.

Hand-delivery or mailing of paper, disk, or CD-ROM comments should be addressed to: P. Michael Payne, Chief, Permits, Conservation and Education Division, Office of Protected Resources, National Marine Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910-3225.

Documents cited in this proposed rule may also be viewed, by appointment, during regular business hours at the above address or at the Department of the Air Force, AAC/EMSN, Natural Resources Branch, 501 DeLeon St., Suite 101, Eglin AFB, FL 32542-5133.

FOR FURTHER INFORMATION CONTACT: Kenneth R. Hollingshead, NMFS, 301-713-2289, ext 128.

SUPPLEMENTARY INFORMATION:

Background

Section 101(a)(5)(A) of the Marine Mammal Protection Act (16 U.S.C. 1361 *et seq.*) (MMPA) directs the Secretary of Commerce (Secretary) to allow, upon request, the incidental, but not intentional taking of marine mammals by U.S. citizens who engage in a specified activity (other than commercial fishing) within a specified geographical region if certain findings are made and regulations are issued.

Permission may be granted for periods of 5 years or less if the Secretary finds

that the taking will have a negligible impact on the species or stock(s) and will not have an unmitigable adverse impact on the availability of the species or stock(s) for subsistence uses, and if regulations are prescribed setting forth the permissible methods of taking and the requirements pertaining to the mitigation, monitoring and reporting of such taking.

NMFS has defined “negligible impact” in 50 CFR 216.103 as “an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, adversely affect the species or stock through effects on annual rates of recruitment or survival.” With respect to military readiness activities, the MMPA defines “harassment” as:

(i) any act that injures or has the significant potential to injure a marine mammal or marine mammal stock in the wild [Level A harassment]; or (ii) any act that disturbs or is likely to disturb a marine mammal or marine mammal stock in the wild by causing disruption of natural behavioral patterns, including, but not limited to, migration, surfacing, nursing, breeding, feeding, or sheltering, to a point where such behavioral patterns are abandoned or significantly altered [Level B harassment]. 16 U.S.C. 1362(18)(B).

Summary of Request

On February 4, 2004, Eglin AFB submitted a request for a 1-year Incidental Harassment Authorization (IHA) under MMPA section 101(a)(5)(D) and for an LOA (to take effect after the expiration of the IHA), for the incidental, but not intentional taking (in the form of noise-related harassment), of marine mammals incidental to PSW testing within the Eglin Gulf Test and Training Range (EGTTR) for the next five years, as authorized by section 101(a)(5) of the MMPA. The EGTTR is described as the airspace over the GOM that is controlled by Eglin AFB, and is also referred to as the “Eglin Water Range.”

PSW missions involve air-to-surface impacts of two weapons, the Joint Air-to-Surface Stand-off Missile (JASSM) AGM-158 A and B and the small-diameter bomb (SDB) (GBU-39/B), that result in underwater detonations of up to approximately 300 lbs (136 kg) and 96 lbs (43.5 kg, double SDB) of net explosive weight (NEW), respectively.

The JASSM is a precision cruise missile designed for launch from outside area defenses to kill hard, medium-hard, soft, and area-type targets. The JASSM has a range of more than 200 nautical miles (nm) (370 kilometers (km)) and carries a 1,000-lb (453.6 kg) warhead. The JASSM has approximately 300 lbs (136 kg) of TNT

equivalent NEW. The explosive used is AFX-757, a type of plastic bonded explosive (PBX) formulation with higher blast characteristics and less sensitivity to many physical effects that could trigger unwanted explosions. The JASSM would be launched from an aircraft at altitudes greater than 25,000 ft (7620 m). The JASSM would cruise at altitudes greater than 12,000 ft (3658 m) for the majority of the flight profile until it makes the terminal maneuver toward the target. The JASSM exercise involves a maximum of two live shots (single) and 4 inert shots (single) each year for the next 5 years. One live shot will detonate in water and one will detonate in air. Detonation of the JASSM would occur under one of three scenarios: (1) Detonation upon impact with the target (about 5 ft (1.5 m) above the GOM surface); (2) detonation upon impact with a barge target at the surface of the GOM; or (3) detonation at 120 milliseconds after contact with the surface of the GOM.

The SDB is a glide bomb. Because of its capabilities, the SDB system is an important element of the Air Force’s Global Strike Task Force. The SDB has a range of up to 50 nm (92.6 km) and carries a 217.4-lb (98.6 kg) warhead. The SDB has approximately 48 lbs (21.7 kg) of TNT equivalent NEW. The explosive used is AFX-757. Launch from an aircraft would occur at altitudes greater than 15,000 ft (4572 m). The SDB would commence a non-powered glide to the intended target. The SDB exercise involves a maximum of six live shots a year, with two of the shots occurring simultaneously, and a maximum of 12 inert shots with up to two occurring simultaneously. Detonation of the SDBs would occur under one of two scenarios: (1) Detonation of one or two bombs upon impact with the target (about 5 ft (1.5 m) above the GOM surface), or (2) a height of burst (HOB) test: detonation of one or two bombs 10 to 25 ft (3 to 7.6 m) above the GOM surface. No underwater detonations of the SDB are planned.

The JASSM and SDBs would be launched from B-1, B-2, B-52, F-15, F-16, F-18, or F-117 aircraft. Chase aircraft would include F-15, F-16, and T-38 aircraft. These aircraft would follow the test items during captive carry and free flight but would not follow either item below a predetermined altitude as directed by Flight Safety. Other assets on site may include an E-9 turboprop aircraft or MH-60/53 helicopters circling around the target location. Tanker aircraft including KC-10s and KC-135s would also be used. A second unmanned barge may also be on location to hold

instrumentation. Targets include a platform of five containers strapped, braced, and welded together to form a single structure and a hopper barge, typical for transportation of grain.

The Eglin AFB action would occur in the northern GOM in the EGTTT. Targets would be located in water less than 200 ft (61 m) deep and from 15 to 24 nm (27.8 to 44.5 km) offshore, south of Santa Rosa Island and south of Cape San Blas Site D3-A. PSW test and training exercises are a military readiness activity.

Comments and Responses on Eglin AFB's Application

A notice of receipt of Eglin AFB's application for a 1-year IHA and 5-year LOA was published in the **Federal Register** on April 22, 2004 (69 FR 21816). That notice described, in detail, Eglin AFB's proposed activity, the marine mammal species that may be affected by the activity, and the anticipated effects on marine mammals. Comments received on Eglin AFB's application during the 30-day public comment period were addressed in the August 19, 2005, **Federal Register** notice (70 FR 48675) announcing issuance of a 1-year IHA to Eglin AFB for PSW activities. Please review the 2005 notice prior to submitting comments on this proposed rule.

Description of Marine Mammals Affected by the Activity

There are 29 species of marine mammals documented as occurring in Federal waters of the GOM. Information on those species that may be impacted by this activity are discussed in the Eglin AFB application and Eglin's Final PEA. A summary of that information is provided in this section.

General information on these marine mammal species can be found in Wursig *et al.* (2000) and in the NMFS Stock Assessment Report (Waring, 2006). The NMFS Stock Assessment Report is available at: <http://www.nefsc.noaa.gov/nefsc/publications/tm/tm194/>.

Marine mammal species that potentially occur within the EGTTT include several species of cetaceans and one sirenian, the West Indian manatee. During winter months, manatee distribution in the GOM is generally confined to southern Florida. During summer months, a few may migrate north as far as Louisiana. However, manatees primarily inhabit coastal and inshore waters and rarely venture offshore. PSW missions would be conducted offshore. Therefore, effects

on manatees are considered very unlikely.

Cetacean abundance estimates for the study area are derived from GulfCet II (Davis *et al.*, 2000) aerial surveys of the continental shelf within the Minerals Management Service Eastern Planning Area, an area of 70,470 km². Texas A&M University and NMFS conducted these surveys from 1996 to 1998. Abundance and density data from the aerial survey portion of the survey best reflect the occurrence of cetaceans within the EGTTT, given that the survey area overlaps approximately one-third of the EGTTT and nearly the entire continental shelf region of the EGTTT where military activity is highest. The GulfCet II aerial surveys identified different density estimates of marine mammals for the shelf and slope geographic locations. Only the shelf data is used because PSW missions will only be conducted on the shelf.

In order to maximize species conservation and protection, the species density estimate data were adjusted to reflect more realistic encounters of these animals in their natural environment. Refer to "Conservative Estimates of Marine Mammal Densities" in this document and Eglin AFB's application for more information on density estimates. The four marine mammal species observed during GulfCet II aerial surveys on the shelf that have the potential to be present in the PSW test area and thereby affected are: Atlantic bottlenose dolphins (*Tursiops truncatus*), Atlantic spotted dolphins (*Stenella frontalis*), dwarf sperm whales (*Kogia simus*), and pygmy sperm whales (*Kogia breviceps*). Brief descriptions of these species were provided in earlier **Federal Register** notices (69 FR 21816, April 22, 2004; 70 FR 48675, August 19, 2005) and are not repeated here.

Impacts to Marine Mammals

Potential impacts to marine mammals from the detonation of the PSWs and SDBs include both lethal and non-lethal injury, as well as Level B harassment in the form of a temporary shift in hearing sensitivity (called temporary threshold shift (TTS)) and behavioral responses due to TTS. Although unlikely due to the extensive mitigation measures proposed herein, marine mammals have the potential to be killed or injured as a result of a blast due to the response of air cavities in the body, such as the lungs and bubbles in the intestines. Any effects would likely be most severe in near-surface waters where the reflected shock wave creates a region of negative

pressure called "cavitation." This is a region of near total physical trauma within which no animals would be expected to survive. A second criterion used by NMFS for categorizing taking by mortality is the onset of extensive lung hemorrhage. Extensive lung hemorrhage is considered to be debilitating and thereby potentially fatal. Suffocation caused by lung hemorrhage would likely be the major cause of any marine mammal death from underwater shock waves.

For the acoustic analysis in this document, the exploding charge is characterized as a point source. The impact thresholds used for marine mammals relate to potential effects on hearing from underwater noise from detonations. For the explosives in question, actual detonation heights would range from 0 to 25 ft (7.6 m) above the water surface. Detonation depths would range from 0 to 80 ft (73.2 m) below the surface. To bracket the range of possibilities, detonation scenarios just above and below the surface were used by Eglin AFB to analyze bombs set to detonate on contact with the target barge. Potentially, the barge may interact with the propagation of noise into the water. However, barge effects on the propagation of noise into the water column cannot be determined without in-water noise monitoring at the time of detonation.

Potential exposure of a sensitive species to detonation noise could theoretically occur at the surface or at any number of depths with differing consequences. As a conservative measure, a mid-depth scenario was selected by Eglin AFB to ensure the greatest direct path for the harassment ranges, and to give the greatest impact range for the injury thresholds.

Explosive Criteria and Thresholds for Impact of Noise on Marine Mammals

NMFS' criteria for explosives and thresholds for assessing impacts of explosions on marine mammals were discussed by NMFS in detail in its issuance of an IHA for Eglin's PSW testing activity (70 FR 48675, August 19, 2005) and are not repeated here. Please refer to that document for background information on this criteria. Based on the discussion in that document, Table 1 illustrates estimated zones of impact for potential mortality (31 psi-ms), Level A harassment (injury; 205 dB EFDL) and Level B harassment (TTS; 182 dB EFDL/23 psi).

TABLE 1. ZONES OF IMPACT FOR UNDERWATER EXPLOSIONS (MID-DEPTH ANIMAL)

Ordnance	NEW (TNT in lb)	Depth or Height of Explosion (m)	Ranges for 31 psi -ms (m)	Ranges for EFDL > 205 dB (m)	Ranges for 182 dB EFDL in 1/3-Octave Band/ 23 psi (m)
Summer					
Single SDB	48	1.5 7.6	n/a n/a	12 12	447 447
Double SDB	96	1.5 7.6	n/a n/a	16 17	550 550
Single JASSM	300	0.3 >6.1	75 320	170 550	770 2490
Winter					
Single SDB	48	1.5 7.6	n/a n/a	12 12	471 471
Double SDB	96	1.5 7.6	n/a n/a	16 16	594 594
Single JASSM	300	0.3 >6.1	75 320	170 590	871 3250

Incidental Take Estimates

For Eglin AFB's PSW exercises, three key sources of information are necessary for estimating potential take levels from noise on marine mammals: (1) The zones of influence (ZOIs) for noise exposure; (2) the number of distinct firing or test events; and (3) the density of animals that potentially reside within a ZOI.

Noise ZOIs were calculated for depth detonation scenarios of 1 ft (0.3 m) and 20 ft (6.1 m) for lethality and for harassment (both Level A and Level B). To estimate the number of potential "takes" or animals affected, the adjusted data on cetacean population information from ship and aerial surveys were applied to the various ZOIs.

Table 1 in this document gives the estimated ZOI ranges for various explosive weights for summer and wintertime scenarios for JASSM and SDB. For example, for JASSM, the range, in winter, extends to 320 m (1050 ft), 590 m (1936 ft) and 3250 m (10663 ft) for potential mortality (31 psi-ms), injury (205 dB re 1 microPa²-s) and TTS (182 dB re 1 microPa²-s/23 psi

zones), respectively. SDB scenarios are for in-air detonations at heights of 1.5 m (5 ft) and 7.6 m (25 ft) during both seasons (whichever criterion provides the largest zone is used for calculating potential impacts). JASSM detonations were modeled for near-surface (i.e., 1–ft (0.3–m) depth) and below-surface (≤ 20–ft depth (≤6.1 m)). To account for "double" (2 nearly simultaneous) events, the charge weights are added (doubled) when modeling for the determination of energy estimates (since energy is proportional to weight). Pressure estimates only utilize the single charge weights for these estimates.

Applying the lethality (31 psi) and harassment (205 and 182 dB EFDL) impact ranges shown in Table 1 to the calculated species densities (in Table 3–1 in Eglin AFB's application), the number of animals potentially occurring within the various ZOIs without implementation of mitigation was estimated. These results are presented in Tables 2, 3, and 4 in this document. In summary, without any mitigation, a small possibility exists for one

bottlenose and one Atlantic spotted dolphin to be exposed to blast levels sufficient to cause mortality. Additionally, less than 2 cetaceans might be exposed to noise levels sufficient to induce Level A harassment (injury) (205 dB re 1 microPa²-s) annually, and as few as 31 or as many as 52 cetaceans (depending on the season and water depth) could potentially be exposed (annually) to noise levels sufficient to induce Level B harassment in the form of TTS (182 dB re 1 microPa²-s/23 psi). While none of these impact estimates consider the proposed mitigation measures that will be employed by Eglin AFB to minimize potential impacts to protected species, NMFS proposes to authorize Eglin AFB to lethally take one marine mammal, 2 marine mammals by Level A harassment, and up to 53 marine mammals by Level B harassment (TTS) annually. The proposed mitigation measures described later in this document are anticipated to reduce potential impacts to marine mammals, in both numbers and degree of severity.

TABLE 2. MARINE MAMMAL DENSITIES AND RISK ESTIMATES FOR LETHALITY (31 PSI) NOISE EXPOSURE FOR ALL IN-WATER AND IN-AIR DETONATIONS

Species	Density	Number of Animals Exposed from All In-Air and In-Water Detonations	Adjusted Number Exposed Based on 30% Mitigation Effectiveness
Summer			
Dwarf/pygmy sperm whale	0.013	0.004	0.003
Bottlenose dolphin	0.81	0.262	0.183

TABLE 2. MARINE MAMMAL DENSITIES AND RISK ESTIMATES FOR LETHALITY (31 PSI) NOISE EXPOSURE FOR ALL IN-WATER AND IN-AIR DETONATIONS—Continued

Species	Density	Number of Animals Exposed from All In-Air and In-Water Detonations	Adjusted Number Exposed Based on 30% Mitigation Effectiveness
Atlantic spotted dolphin	0.677	0.219	0.153
T. truncatus/S. frontalis	0.053	0.017	0.012
TOTAL		0.502	0.351
Winter			
Dwarf/pygmy sperm whale	0.013	0.004	0.003
Bottlenose dolphin	0.81	0.262	0.183
Atlantic spotted dolphin	0.677	0.219	0.153
T. truncatus/S. frontalis	0.053	0.017	0.012
TOTAL		0.502	0.351

TABLE 3. MARINE MAMMAL DENSITIES AND RISK ESTIMATES FOR LEVEL A HARASSMENT(205 dB EFD 1/3-OCTAVE BAND) NOISE EXPOSURE FOR ALL IN-WATER AND IN-AIR DETONATIONS

Species	Density	Number of Animals Exposed from All In-Air and In-Water Detonations	Adjusted Number Exposed Based on 30% Mitigation Effectiveness
Summer			
Dwarf/pygmy sperm whale	0.013	0.014	0.010
Bottlenose dolphin	0.81	0.893	0.625
Atlantic spotted dolphin	0.677	0.747	0.523
T. truncatus/S. frontalis	0.053	0.058	0.041
TOTAL		1.712	1.198
Winter			
Dwarf/pygmy sperm whale	0.013	0.014	0.010
Bottlenose dolphin	0.81	0.893	0.625
Atlantic spotted dolphin	0.677	0.747	0.523
T. truncatus/S. frontalis	0.053	0.058	0.041
TOTAL		1.712	1.198

TABLE 4. MARINE MAMMAL DENSITIES AND COMBINED RISK ESTIMATES FOR THE 23 PSI PEAK PRESSURE AND THE 182 DB EFD 1/3-OCTAVE BAND LEVEL B HARASSMENT METRICS FOR ALL IN-WATER AND IN-AIR DETONATIONS

Species	Density	Number of Animals Exposed from All In-Air and In-Water Detonations	Adjusted Number Exposed Based on 30% Mitigation Effectiveness
Summer			
Dwarf/pygmy sperm whale	0.013	0.26	0.182
Bottlenose dolphin	0.81	16.209	11.3463
Atlantic spotted dolphin	0.677	13.547	9.4829
T. truncatus/S. frontalis	0.053	1.061	0.7427
TOTAL		31.076	21.7532

TABLE 4. MARINE MAMMAL DENSITIES AND COMBINED RISK ESTIMATES FOR THE 23 PSI PEAK PRESSURE AND THE 182 DB EFD 1/3-OCTAVE BAND LEVEL B HARASSMENT METRICS FOR ALL IN-WATER AND IN-AIR DETONATIONS—Continued

Species	Density	Number of Animals Exposed from All In-Air and In-Water Detonations	Adjusted Number Exposed Based on 30% Mitigation Effectiveness
Winter			
Dwarf/pygmy sperm whale	0.013	0.44	0.308
Bottlenose dolphin	0.81	27.387	19.1709
Atlantic spotted dolphin	0.677	22.89	16.023
T. truncatus/S. frontalis	0.053	1.792	1.2544
TOTAL		52.509	36.7563

Mitigation and Monitoring

Under the current IHA and as proposed here, Eglin will establish and survey the relevant ZOIs and buffer zones around a planned detonation site. The ZOI for the JASSM will be a radius of 2.0 nm (3.7 km) around the detonation site and the buffer zone will be established at a 1.0–nm (1.85–km) radius outside the safety zone. The ZOI for the SDB will be a radius of 5–10 nm (9.3–18.5 km) depending upon weight of the explosive and the buffer zone will be established at a 2.5 - 5 nm (4.6 -18.5 km) radius outside the SDB ZOI. Prior to the planned detonation, trained observers aboard aircraft will survey (visually monitor) the ZOI and buffer area, a very effective method for detecting cetaceans. The aircraft/helicopters will fly approximately 500 ft (152 m) above the sea surface to allow observers to scan a large distance. In addition, trained observers aboard surface support vessels will conduct ship-based monitoring for non-participating vessels as well as protected species. Using 25X power “Big-eye” binoculars, surface observation would be effective out to several kilometers.

Weather that supports the ability to sight marine life is required to effectively mitigate impacts on marine life (DON, 1998). Wind, visibility, and surface conditions in the GOM are the most critical factors affecting mitigation operations. Higher winds typically increase wave height and create “white cap” conditions, both of which limit an observer’s ability to locate surfacing marine mammals. Therefore, PSW missions would be delayed if the Beaufort scale sea state are greater than 3.5.

Visibility is also a critical factor for flight safety issues. A minimum ceiling of 305 m (1000 ft) and visibility of 5.6 km (3 nm) is required to support

mitigation and safety-of-flight concerns (DON, 2001).

Aerial Survey/Monitoring Team

Eglin will complete an aerial survey before each mission and train personnel to conduct aerial surveys for protected species. The aerial survey/monitoring team would consist of two observers. Aircraft provide a preferable viewing platform for detection of protected marine species. Each aerial observer will be experienced in marine mammal surveying and familiar with species that may occur in the area. Each aircraft would have a data recorder who would be responsible for relaying the location, the species if possible, the direction of movement, and the number of animals sighted. Standard line transect aerial surveying methods, as developed by NMFS (Blaylock and Hoggard, 1994; Buckland *et al.*, 1993) would be used. Aerial observers are expected to have above average to excellent sighting conditions at sunrise to 1.85 km (1 nm) on either side of the aircraft within the weather limitation noted previously. Observed marine mammals would be identified to the species or the lowest possible taxonomic level and the relative position recorded. In order to ensure adequate daylight for pre- and post-mission monitoring, the mission activity would occur no earlier than 2 hours after sunrise and no later than 2 hours prior to sunset.

Shipboard Monitoring Team

Eglin AFB will conduct shipboard monitoring to reduce impacts to protected species. The monitoring would be staged from the highest point possible on a mission ship. Observers would be familiar with the marine life of the area. The observer on the vessel must be equipped with optical equipment with sufficient magnification (e.g., 25X power “Big-Eye” binoculars, as these have been successfully used in

monitoring activities from ships), which should allow the observer to sight surfacing mammals from as far as 11.6 km (6.3 nm) and provide overlapping coverage from the aerial team. A team leader would be responsible for reporting sighting locations, which would be based on bearing and distance.

The aerial and shipboard monitoring teams will have proper lines of communication to avoid communication deficiencies. The observers from the aerial team and operations vessel will have direct communication with the lead scientist aboard the operations vessel. The lead scientist will be a qualified marine biologist familiar with marine surveys. The lead scientist reviews the range conditions and recommends a Go/No-Go decision to the test director. The test director makes the final Go/No-Go decision.

Mitigation Procedures Plan

All zones (injury, ZOI and buffer zones) are monitored. Although unexpected, any mission may be delayed or aborted due to technical reasons. Actual delay times depend on the aircraft supporting the test, test assets, and range time. Should a technical delay occur, all mitigation procedures would continue and remain in place until either the test takes place or is canceled. The ZOI and buffer zone around JASSM missions will be monitored by shipboard observers from the highest point of the vessel. Vessels will be positioned as close to the safety zone as allowed without infringing on the missile flight corridor. The SDB has many mission profiles and does not have a flight termination system; therefore, the safety buffer zone may be quite large (5–10 nm radius (9.3–18.5 km)).

PSW mitigation must be regulated by Air Force safety parameters (pers. comm. Monteith and Nowers, 2004) to

ensure personnel safety. Therefore, marine mammal mitigation effectiveness may be reduced for some missions due to mandatory safety buffers which limit the time and type of marine mammal

mitigation. Even though mitigation may be limited for PSW and SDB missions, all SDB detonations are above the water surface (5–25 ft (1.5–7.6 m) above the surface) and of much smaller net

explosive weight than JASSM. Table 5 describes safety zones and clearance times for JASSM and SDB missions (time in minutes).

TABLE 5. SAFETY ZONE MONITORING TIME FRAMES AND EFFECTIVENESS

	Flight Time	Safety Clearance Time for Vessels before Launch	Safety Clearance Time for Aircraft before Launch	Total Time of Vessel Safety Clearance before Detonation	Total Time of Aircraft Safety Clearance before Detonation	Human Safety Area
JASSM	:30-1 hr	:30	:15	1:30	1:15	2 NM
SDB	:20	:60	:30	1:20	:50	5-10 NM

Stepwise mitigation and monitoring procedures for PSW missions are outlined here.

Pre-mission Monitoring

The purposes of pre-mission monitoring are to (1) evaluate the test site for environmental suitability of the mission (e.g., relatively low numbers of marine mammals) and (2) verify that the ZOI is free of visually detectable marine mammals. On the morning of the test, the lead scientist would confirm that the test sites can still support the mission and that the weather is adequate to support mitigation.

Five Hours Prior to Mission Launch

Approximately 5 hours prior to mission launch, or at daybreak, the appropriate vessel(s) would be on-site in the primary test site near the location of the earliest planned mission point. Observers onboard the vessel will assess the suitability of the test site, based on visual observation of marine mammals, and overall environmental conditions (visibility, sea state, etc.). This information will be relayed to the lead scientist.

Three Hours Prior to Mission Launch

Approximately three hours prior to mission launch, aerial monitoring would commence within the test site to evaluate the test site for environmental suitability. Evaluation of the entire test site would take approximately 1 to 1.5 hours. Shipboard observers would monitor the “ZOI” and buffer zone, and the lead scientist would enter all marine mammals sightings, including the time of sighting and the direction of travel, into a marine animal tracking and sighting database. The aerial monitoring team would begin monitoring the ZOI and buffer zone around the target area. The shipboard monitoring team would combine with the aerial team to monitor the area immediately around the

mission area including both the ZOI and buffer zone.

One to 1.5 Hours Prior to Mission Launch

As noted in Table 6 and depending upon the mission, aerial and shipboard viewers would be instructed to leave the area and remain outside the human personnel safety area (over 2 nm (3.7 km) from impact for JASSM and 5–10 nm (9.3–18.5 km) for SDB). The aerial team would report all marine animals spotted and their directions of travel to the lead scientist onboard the vessel. The shipboard monitoring team would continue searching the buffer zone for protected species as it leaves. The aircraft will leave the area and land on base. The surface vessels will stay on the outside of the human personnel safety area (5–10 nm for SDB and 2 nm for JASSM) until after detonation.

Fifteen Minutes Prior to Launch and Go/No-Go Decision Process

Visual monitoring from surface vessels outside the human personnel safety zone would continue to document any animals that may have gone undetected during the past two hours and track animals moving in the direction of the detonation area.

The lead scientist would plot and record sightings and bearing for all marine animals detected. This would depict animal sightings relative to the mission area. The lead scientist would have the authority to declare the range fouled and recommend a hold until monitoring indicates that the ZOI is and will remain clear of detectable animals.

The mission would be postponed if:

(1) Any marine mammal is visually detected within the relevant ZOI (see Table 1) prior to mission launch. The delay would continue until the marine mammal that caused the postponement is confirmed to be outside of the ZOI due to the animal moving out of the range, and

(2) Any marine mammal is detected in the buffer zone and cannot be subsequently re-sighted. The mission would not continue until the last verified location is outside of the ZOI and the animal is moving away from the mission area.

In the event of a postponement, pre-mission monitoring would continue as long as weather and daylight hours allow. Aerial monitoring is limited by fuel and the on-station time of the monitoring aircraft. If a live warhead failed to explode operations would attempt to recognize and solve the problem while continuing with all mitigation measures in place. The probability of this occurring is very remote but does exist. Should a weapon fail to explode, the activity sponsor would attempt to identify the problem and detonate the charge with all marine mammal mitigation measures in place as described. If a live warhead fails to explode the weapon is rendered safe after 15 minutes. The feasibility and practicality of recovering the warhead will be evaluated on a case-by-case basis. If at all feasible, the warhead will be recovered.

Launch to Impact

Visual monitoring from vessels would continue to survey the ZOI and surrounding buffer zone and track animals moving in the direction of the impact area. The lead scientist would continue to plot and record sightings and bearing for all marine animals detected. This will depict animal sightings relative to the impact area. Due to economic (costs of testing \$2 million per test) and practical (in-air destruction of the missile) reasons, NMFS is not proposing to require Eglin AFB to terminate an in-flight missile or bomb due to sighting of a protected species.

Post-mission monitoring

Post-mission monitoring is designed to gauge the effectiveness of pre-mission mitigation by reporting any sightings of dead or injured marine mammals. Post-detonation monitoring via shipboard surveyors would commence immediately following each detonation; no aerial surveys would be conducted during this monitoring stage. The vessels will move into the ZOI from outside the safety zone and continue monitoring for at least two hours, concentrating on the area down current of the test site.

Although it is highly unlikely that marine mammals will be killed or seriously injured by this activity, any marine mammals killed by an explosion would likely suffer lung rupture, which would cause them to float to the surface immediately due to air in the blood stream. Any animals that are not killed instantly but are mortally wounded would likely resurface within a few days, though this would depend on the size and type of animal, fat stores, depth, and water temperature (DON, 2001). The monitoring team would attempt to document any marine mammals that are killed or injured as a result of the test and, if practicable, recover and examine any dead animals. The species, number, location, and behavior of any animals observed by the observation teams would be documented and reported to the lead scientist.

Post-mission monitoring activities include coordination with marine animal stranding networks. NMFS maintains stranding networks along coasts to collect and circulate information about marine mammal standings. Local coordinators report stranding data to state and regional coordinators. Any observed dead or injured marine mammals would be reported to the appropriate coordinator.

Summary of Mitigation Plan

The PSW test will be postponed if any human safety concerns arise, protected species are sighted within the ZOI, any protected species is detected in the buffer zone and subsequently cannot be reacquired, or a marine mammal is moving into the ZOI from the buffer zone. The delay would continue until the marine mammal that caused the postponement is confirmed to be outside of the ZOI due to the animal swimming out of the range.

Avoidance of impacts to pods of cetaceans will most likely be realized through these measures since groups of dolphins are relatively easy to spot with the survey distances and methods that

will be employed. Typically solitary marine mammals such as dwarf/pygmy sperm whales, while more challenging to detect, will also be afforded substantial protection through pre-test monitoring.

The safety vessels would conduct post-mission monitoring for two hours after each mission. The monitoring team would document any marine mammals observed dead or injured and, if practicable, recover and examine any dead animals.

Conservative Estimates of Marine Mammal Densities

Using conservative mathematical calculations and conservative density estimates can serve as a technique for making conservative "take" estimates. Marine mammal densities used to calculate takes were based on the most current and comprehensive GOM surveys available (GulfCet II). The densities are adjusted for the time the animals are submerged, and further adjusted by applying standard deviations to provide an approximately 99 percent confidence level. As an example, the density estimates for bottlenose dolphins range from 0.06 to 0.15 animals/km² in GulfCet II aerial surveys of the shelf and slope. However, the final adjusted density used in take calculations is 0.81 animals/km².

Reporting

As in the current IHA, NMFS proposes to continue to require Eglin AFB to submit an annual report on the results of the monitoring requirements. This annual report will be due within 30 days prior to the expiration of the current LOA. This report will then be used by NMFS to determine whether incidental takings by Eglin AFB from this activity continue to have a negligible impact on affected species and stocks of marine mammals. This report will include a discussion on the effectiveness of the mitigation in addition to the following information: (1) Date and time of each of the detonations; (2) a detailed description of the pre-test and post-test activities related to mitigating and monitoring the effects of explosives detonation on marine mammals and marine mammal populations; (3) the results of the monitoring program, including numbers by species/stock of any marine mammals noted injured or dead, presumably as a result of the detonation and numbers that may have been harassed due to undetected presence within the ZOI (NMFS and Eglin presume that if an area is determined to be clear of marine mammals and later, during post-event monitoring, marine

mammals are found in the area, those marine mammals will be considered "taken"); and (4) results of coordination with coastal marine mammal stranding networks.

Research

Although Eglin AFB does not currently conduct independent Air Force monitoring efforts, Eglin AFB's Natural Resources Branch does participate in marine animal tagging and monitoring programs led by other agencies. The Natural Resources Branch also supports participation in annual surveys of marine mammals in the GOM with NOAA Fisheries. From 1999 to 2002, Eglin AFB's Natural Resources Branch participated in summer cetacean monitoring and research opportunities through a contract representative. The contractor participated in visual surveys in 1999 for cetaceans in GOM, photographic identification of sperm whales in the northeastern Gulf in 2001, and served as a visual observer during the 2000 Sperm Whale Pilot Study and the 2002 sperm whale Satellite-tag (S-tag) cruise. Support for these research efforts is anticipated to continue.

Eglin AFB utilizes marine mammal stranding information to ascertain the effectiveness of its mitigation measures for offshore activities. Stranding data is collected and maintained for the Florida panhandle and Gulf-wide areas. This is undertaken through the establishment and maintenance of contacts with local, state, and regional stranding networks. Eglin AFB assists with stranding data collection by maintaining its own team of stranding personnel. In addition to simply collecting stranding data, various analyses are performed. Stranding events are tracked by year, season, and NMFS statistical zone, both Gulf-wide and on the coastline in proximity to Eglin AFB. Stranding data is combined with records of EGTTR mission activity in each water range and analyzed for any possible correlation. In addition to being used as a measure of the effectiveness of mission mitigation, stranding data can yield insight into the species composition of cetaceans in the region.

Endangered Species Act (ESA)

NMFS issued a biological opinion regarding the effects of Eglin's PSW activity on ESA-listed species and critical habitat under the jurisdiction of NMFS. That biological opinion concluded that Eglin's PSW activity is not likely to jeopardize the continued existence of listed species or result in the destruction or adverse modification of critical habitat. On August 11, 2005, NMFS determined that issuance of an

annual authorization under section 101(a)(5) of the MMPA to Eglin AFB for this activity will not have effects beyond what was analyzed in 2004 in the Biological Opinion. NMFS has preliminarily determined that the issuance of up to 5 LOAs to Eglin under these regulations (if implemented) would not have effects beyond what was analyzed in the 2004 Biological Opinion. A copy of the Biological Opinion is available upon request (see **ADDRESSES**).

National Environmental Policy Act (NEPA)

In December, 2003, Eglin AFB released a Draft PEA on the PSW activity. On April 22, 2004 (69 FR 21816), NMFS noted that Eglin AFB had prepared a Draft PEA for PSW activities and made this PEA available upon request. Eglin AFB updated the information in that PEA and issued a Final PEA and a Finding of No Significant Impact (FONSI) on the PSW activities.

In accordance with NOAA Administrative Order 216-6 (Environmental Review Procedures for Implementing the National Environmental Policy Act, May 20, 1999), NMFS reviewed the information contained in Eglin AFB's Final PEA and determined that the Eglin AFB's PEA accurately and completely describes the proposed action alternative, reasonable additional alternatives, and the potential impacts on marine mammals, endangered species, and other marine life that could be impacted by the preferred alternative and the other alternatives. Based on this review and analysis, NMFS adopted Eglin's PEA under 40 CFR 1506.3 and made its own FONSI statement on July 25, 2005. Therefore, it was not necessary to issue a new EA, supplemental EA or an environmental impact statement for the issuance of an IHA to Eglin AFB to take marine mammals incidental to this activity. NMFS will review its determination as part of this rulemaking. A decision will be made prior to making a final determination on issuing a final rule for this activity. A copy of NMFS' FONSI for this activity is available upon request (see **ADDRESSES**). A paper copy of the Eglin AFB Programmatic EA for this activity is available by contacting either Eglin AFB or NMFS (see **ADDRESSES**).

Preliminary Determinations

NMFS has preliminarily determined that, based on the information provided in Eglin's application, the Final PEA and this document, the total taking of marine mammals by PSW activities will

have a negligible impact on the affected species or stocks over the 5-year period of take authorizations. While no take by serious injury or death is anticipated during this period, limited mortality is proposed to be authorized in the event that the extensive mitigation measures are not totally successful. However, even if serious injury or mortality were to occur, the total taking still would have no more than a negligible impact on the affected marine mammal species or stocks.

In addition, the potential for temporary or permanent hearing impairment is low and will have the least practicable adverse impact on the affected species or stocks through the incorporation of the mitigation measures mentioned in this document. The information contained in Eglin's EA and incidental take application support NMFS' finding that impacts will be mitigated by implementation of a conservative safety range for marine mammal exclusion, incorporation of aerial and shipboard survey monitoring efforts in the program both prior to and after detonation of explosives, and delay/postponement/cancellation of detonations whenever marine mammals or other specified protected resources are either detected within the safety zone or may enter the safety zone at the time of detonation or if weather and sea conditions preclude adequate aerial surveillance. Since the taking will not result in more than the incidental harassment of certain species of marine mammals, will have only a negligible impact on these stocks, will not have an unmitigable adverse impact on the availability of these stocks for subsistence uses (as there are no known subsistence uses of marine mammal stocks in the GOM), and, through implementation of required mitigation and monitoring measures, will result in the least practicable adverse impact on the affected marine mammal stocks, NMFS has preliminarily determined that the requirements of section 101(a)(5)(A) of the MMPA have been met and this proposed rule can be issued.

Request for Information

NMFS requests interested persons to submit comments, information, and suggestions concerning Eglin's application and this proposed rule. Prior to submitting comments, NMFS recommends reviewers of this document read the responses to comments made previously (70 FR 48675, August 19, 2005) for this action as NMFS does not plan to address these issues further without the submission of additional

scientific information or reasoning supporting the comment.

Comments sent via e-mail, including all attachments, must not exceed a 10-megabyte file size. To submit comments through the Federal e-Rulemaking Portal, go to <http://www.regulations.gov> and follow the instructions for submitting comments. To help us process and review comments more efficiently, please use only one method.

A copy of the application containing a list of references used in this document may be obtained by writing to NMFS (see **ADDRESSES**), by telephoning the contact listed under **FOR FURTHER INFORMATION CONTACT**, or at: <http://www.nmfs.noaa.gov/pr/permits/incidental.htm>. A paper copy of Eglin AFB's Final Programmatic Environmental Assessment (Final PEA) is available by writing to the Department of the Air Force (see **ADDRESSES**).

Classification

This action has been determined to be not significant for purposes of Executive Order 12866.

The Chief Counsel for Regulation of the Department of Commerce has certified to the Chief Counsel for Advocacy of the Small Business Administration that this proposed rule, if adopted, would not have a significant economic impact on a substantial number of small entities since it would apply only to the U.S. Air Force, a federal agency. It may affect a small number of contractors providing services related to reporting the impact of the activity on marine mammals, some of whom may be small businesses, but the number involved would not be substantial. Further, since the monitoring and reporting requirements are what would lead to the need for their services, the economic impact on them would be beneficial. Because of this certification, a regulatory flexibility analysis is not required and none has been prepared.

List of Subjects in 50 CFR Part 216

Exports, Fish, Imports, Indians, Labeling, Marine mammals, Penalties, Reporting and recordkeeping requirements, Seafood, Transportation.

Dated: July 27, 2006.

John Oliver,

Deputy Assistant Administrator for Operations, National Marine Fisheries Service.

For reasons set forth in the preamble, 50 CFR part 216 is proposed to be amended as follows:

PART 216—REGULATIONS GOVERNING THE TAKING AND IMPORTING OF MARINE MAMMALS

1. The authority citation for part 216 continues to read as follows:

Authority: 16 U.S.C. 1361 *et seq.*

2. Subpart V is added and reserved.

3. Subpart W is added to part 216 to read as follows:

Subpart W—Taking Marine Mammals Incidental to Conducting Precision Strike Weapon Missions in the Gulf of Mexico

Sec.

- 216.250 Specified activity and specified geographical region.
- 216.251 Effective dates.
- 216.252 Permissible methods of taking.
- 216.253 Prohibitions.
- 216.254 Mitigation.
- 216.255 Requirements for monitoring and reporting.
- 216.256 Applications for Letters of Authorization.
- 216.257 Letter of Authorization.
- 216.258 Renewal of Letters of Authorization.
- 216.259 Modifications to Letters of Authorization.

Subpart W—Taking Marine Mammals Incidental to Conducting Precision Strike Weapon Missions in the Gulf of Mexico

§ 216.250 Specified activity and specified geographical region.

(a) Regulations in this subpart apply only to the incidental taking of those marine mammal species specified in paragraph (b) of this section by U.S. citizens engaged in U.S. Air Force Precision Strike Weapon missions within the Eglin Air Force Base Gulf Test and Training Range within the northern Gulf of Mexico. The authorized activities as specified in a Letter of Authorization issued under §§ 216.106 and 216.257 include, but are not limited to, activities associated with

(1) The Joint Air-to-Surface Stand-off Missile (JASSM) exercise for a maximum of two live shots (single) and 4 inert shots (single) annually and

(2) The small-diameter bomb (SDB) exercise for a maximum of six live shots a year, with two of the shots occurring simultaneously and a maximum of 12 inert shots, with up to two occurring simultaneously.

(b) The incidental take by Level A harassment, Level B harassment, or mortality of marine mammals under the activity identified in this section is limited to the following species: Atlantic bottlenose dolphins (*Tursiops truncatus*), Atlantic spotted dolphins (*Stenella frontalis*), dwarf sperm whales

(*Kogia simus*) and pygmy sperm whale (*Kogia breviceps*).

§ 216.251 Effective dates.

Regulations in this subpart are effective from 30 days after the date of publication of the final rule in the **Federal Register** until 5 years and 30 days after the date of publication of the final rule in the **Federal Register**.

§ 216.252 Permissible methods of taking.

(a) Under Letters of Authorization issued pursuant to §§ 216.106 and 216.257, the Holder of the Letter of Authorization may incidentally, but not intentionally, take marine mammals by Level A and Level B harassment, and mortality within the area described in § 216.250(a), provided the activity is in compliance with all terms, conditions, and requirements of these regulations and the appropriate Letter of Authorization.

(b) The taking of marine mammals under a Letter of Authorization is limited to the species listed in § 216.252(b) and is limited to a total of 1 mortality, 2 takes by Level A harassment, and 53 takes by Level B harassment annually.

§ 216.253 Prohibitions.

Notwithstanding takings contemplated in § 216.250 and authorized by a Letter of Authorization issued under §§ 216.106 and 216.257, no person in connection with the activities described in § 216.250 shall:

(a) Take any marine mammal not specified in

§ 216.250(b);

(b) Take any marine mammal specified in § 216.250(b) other than by incidental, unintentional Level A or Level B harassment or mortality;

(c) Take a marine mammal specified in § 216.250(b) if such taking results in more than a negligible impact on the species or stocks of such marine mammal; or

(d) Violate, or fail to comply with, the terms, conditions, and requirements of these regulations or a Letter of Authorization issued under §§ 216.106 and 216.257.

§ 216.254 Mitigation.

The activity identified in § 216.250(a) must be conducted in a manner that minimizes, to the greatest extent practicable, adverse impacts on marine mammals and their habitats. When conducting operations identified in § 216.250(a) under a Letter of Authorization, the following mitigation measures must be implemented:

(a)(1) For the JASSM, the holder of the Letter of Authorization must establish

and monitor a safety zone for marine mammals with a radius of 2.0 nm (3.7 km) from the center of the detonation and a buffer zone with a radius of 1.0 nm (1.85 km) radius from the outer edge of the safety zone.

(2) For the SDB, the holder of the Letter of Authorization must establish and monitor a safety for marine mammals with a radius of no less than 5 nm (9.3 km) for single bombs and 10 nm (18.5 km) for double bombs and a buffer zone from the outer edge of the safety zone with a radius of at least 2.5 nm (4.6 km) for single bombs and 5 nm (18.5 km) for double bombs.

(b) When detonating explosives:

(1) If any marine mammals are observed within the designated safety zone prescribed in condition (a)(1) of this section, or within the buffer zone prescribed in condition (a)(2) of this section that are on a course that will put them within the safety zone prior to JASSM or SDB launch, the launching must be delayed until all marine mammals are no longer within the designated safety zone.

(2) If any marine mammals are detected in the buffer zone and subsequently cannot be reacquired, the mission launch will not continue until the next verified location is outside of the safety zone and the animal is moving away from the mission area.

(3) If weather and/or sea conditions preclude adequate aerial surveillance for detecting marine mammals, detonation must be delayed until adequate sea conditions exist for aerial surveillance to be undertaken. Adequate sea conditions means the sea state does not exceed Beaufort sea state 3.5 (i.e., whitecaps on 33 to 50 percent of surface; 0.6 m (2 ft) to 0.9 m (3 ft) waves), the visibility is 5.6 km (3 nm) or greater, and the ceiling is 305 m (1,000 ft) or greater.

(4) To ensure adequate daylight for pre- and post-detonation monitoring, mission launches may not take place earlier than 2 hours after sunrise, and detonations may not take place later than 2 hours prior to sunset, or whenever darkness or weather conditions will preclude completion of the post-test survey effort described in § 216.255.

(5) If post-detonation surveys determine that a serious injury or lethal take of a marine mammal has occurred, the test procedure and the monitoring methods must be reviewed with the National Marine Fisheries Service and appropriate changes must be made prior to conducting the next mission detonation.

(6) Mission launches must be delayed if aerial or vessel monitoring programs

described under § 216.255 cannot be fully carried out.

§ 216.255 Requirements for monitoring and reporting.

(a) The Holder of the Letter of Authorization issued pursuant to §§ 216.106 and 216.257 for activities described in § 216.250(a) is required to conduct the monitoring and reporting measures specified in this section and any additional monitoring measures contained in the Letter of Authorization.

(b) The Holder of the Letter of Authorization is required to cooperate with the National Marine Fisheries Service, and any other Federal, state or local agency monitoring the impacts of the activity on marine mammals. Unless specified otherwise in the Letter of Authorization, the Holder of the Letter of Authorization must notify the Director, Office of Protected Resources, National Marine Fisheries Service, or designee, by letter or telephone (301-713-2289), at least 2 weeks prior to any modification to the activity identified in § 216.250(a) that has the potential to result in the mortality or Level A or Level B harassment of marine mammals that was not identified and addressed previously.

(c) The Holder of this Authorization must:

(1) Designate qualified on-site individual(s) to record the effects of mission launches on marine mammals that inhabit the northern Gulf of Mexico;

(2) Have on-site individuals, approved in advance by the National Marine Fisheries Service, to conduct the mitigation, monitoring and reporting activities specified in these regulations and in the Letter of Authorization issued pursuant to § 216.106 and § 216.257.

(3) Conduct aerial surveys to reduce impacts on protected species. The aerial survey/monitoring team will consist of two experienced marine mammal observers, approved in advance by the Southeast Region, National Marine Fisheries Service. The aircraft will also have a data recorder who would be responsible for relaying the location, the species if possible, the direction of movement, and the number of animals sighted.

(4) Conduct shipboard monitoring to reduce impacts to protected species. Trained observers will conduct monitoring from the highest point possible on each mission or support vessel(s). The observer on the vessel must be equipped with optical equipment with sufficient magnification (e.g., 25X power "Big-Eye" binoculars.

(d) The aerial and shipboard monitoring teams will maintain proper lines of communication to avoid communication deficiencies. The observers from the aerial team and operations vessel will have direct communication with the lead scientist aboard the operations vessel.

(e) Pre-mission Monitoring: Approximately 5 hours prior to the mission, or at daybreak, the appropriate vessel(s) would be on-site in the primary test site near the location of the earliest planned mission point. Observers onboard the vessel will assess the suitability of the test site, based on visual observation of marine mammals and overall environmental conditions (visibility, sea state, etc.). This information will be relayed to the lead scientist.

(f) Three Hours Prior to Mission:

(1) Approximately three hours prior to the mission launch, aerial monitoring will commence within the test site to evaluate the test site for environmental suitability. Evaluation of the entire test site would take approximately 1 to 1.5 hours. The aerial monitoring team will begin monitoring the safety zone and buffer zone around the target area.

(2) Shipboard observers will monitor the safety and buffer zone, and the lead scientist will enter all marine mammal sightings, including the time of sighting and the direction of travel, into a marine animal tracking and sighting database.

(g) One to 1.5 Hours Prior to Mission Launch:

(1) Depending upon the mission, aerial and shipboard viewers will be instructed to leave the area and remain outside the safety area. The aerial team will report all marine animals spotted and their directions of travel to the lead scientist onboard the vessel.

(2) The shipboard monitoring team will continue searching the buffer zone for protected species as it leaves the safety zone. The surface vessels will continue to monitor from outside of the safety area until after impact.

(h) Post-mission monitoring:

(1) The vessels will move into the safety zone from outside the safety zone and continue monitoring for at least two hours, concentrating on the area down current of the test site.

(2) The Holder of the Letter of Authorization will closely coordinate mission launches with marine animal stranding networks.

(3) The monitoring team will document any dead or injured marine mammals and, if practicable, recover and examine any dead animals.

(i) Activities related to the monitoring described in this section may include retention of marine mammals without

the need for a separate scientific research permit.

(j) In accordance with provisions in § 216.258(b)(2), the Holder of the Letter of Authorization must conduct the research required under the Letter of Authorization.

(k) Reporting

(1) Unless specified otherwise in the Letter of Authorization, the Holder of the Letter of Authorization must submit an annual report to the Director, Office of Protected Resources, National Marine Fisheries Service, no later than 60 days prior to the date of expiration of the Letter of Authorization. This report must contain all information required by these regulations and the Letter of Authorization.

(2) The final comprehensive report on all marine mammal monitoring and research conducted during the period of these regulations must be submitted to the Director, Office of Protected Resources, National Marine Fisheries Service at least 240 days prior to expiration of these regulations or 240 days after the expiration of these regulations if new regulations will not be requested.

§ 216.256 Applications for Letters of Authorization.

To incidentally take marine mammals pursuant to these regulations, the U.S. citizen (as defined at § 216.103) conducting the activity identified in § 216.250(a) must apply for and obtain either an initial Letter of Authorization in accordance with §§ 216.106 and 216.257 or a renewal under § 216.258.

§ 216.257 Letter of Authorization.

(a) A Letter of Authorization, unless suspended or revoked, will be valid for a period of time not to exceed the period of validity of this subpart, but must be renewed annually subject to annual renewal conditions in § 216.258.

(b) Each Letter of Authorization will set forth:

(1) Permissible methods of incidental taking;

(2) Means of effecting the least practicable adverse impact on the species, its habitat, and on the availability of the species for subsistence uses; and

(3) Requirements for monitoring and reporting.

(c) Issuance and renewal of the Letter of Authorization will be based on a determination that the total number of marine mammals taken by the activity as a whole will have no more than a negligible impact on the species or stock of affected marine mammals.

(d) Except for the initial Letter of Authorization, notice of issuance or

denial of a Letter of Authorization will be published in the **Federal Register** within 30 days of a determination.

§ 216.258 Renewal of Letters of Authorization.

(a) A Letter of Authorization issued under § 216.106 and § 216.257 for the activity identified in § 216.250(a) will be renewed annually upon:

(1) Notification to the National Marine Fisheries Service that the activity described in the application submitted under § 216.256 will be undertaken and that there will not be a substantial modification to the described work, mitigation or monitoring undertaken during the upcoming 12 months;

(2) Timely receipt of the monitoring report required under

§ 216.255(b), and the Letter of Authorization, which has been reviewed and accepted by the National Marine Fisheries Service; and

(3) A determination by the National Marine Fisheries Service that the mitigation, monitoring and reporting measures required under § 216.254 and the Letter of Authorization issued under

§§ 216.106 and 216.257, were undertaken and will be undertaken during the upcoming annual period of validity of a renewed Letter of Authorization.

(b) If a request for a renewal of a Letter of Authorization issued under §§ 216.106 and 216.258 indicates that a substantial modification to the described work, mitigation, monitoring or research undertaken during the upcoming season will occur, the National Marine Fisheries Service will provide the public a period of 30 days for review and seek comment on:

(1) New cited information and data that indicates that the determinations made for promulgating these regulations are in need of reconsideration, and

(2) Proposed changes to the mitigation, monitoring and research requirements contained in these regulations or in the current Letter of Authorization.

§ 216.259 Modifications to Letters of Authorization.

(a) Except as provided in paragraph

(b) of this section, no substantive

modification (including withdrawal or suspension) to a Letter of Authorization issued pursuant to §§ 216.106 shall be made until after notification and an opportunity for public comment has been provided. For purposes of this paragraph, a renewal of a Letter of Authorization under § 216.258, without modification (except for the period of validity), is not considered a substantive modification.

(b) If the Assistant Administrator determines that an emergency exists that poses a significant risk to the well-being of the species or stocks of marine mammals specified in § 216.250(b), a Letter of Authorization issued pursuant to §§ 216.106 and 216.257 may be substantively modified without prior notification and an opportunity for public comment. Notification will be published in the **Federal Register** within 30 days subsequent to the action.

[FR Doc. E6-12556 Filed 8-2-06; 8:45 am]

BILLING CODE 3510-22-S

Notices

Federal Register

Vol. 71, No. 149

Thursday, August 3, 2006

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

July 28, 2006.

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), OIRA_Submission@omb.eop.gov or fax (202) 395-5806 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) 720-8958.

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.

Animal & Plant Health Inspection Service

Title: Importation of Poultry Products.
OMB Control Number: 0579-0141.

Summary of Collection: The Animal & Plant Health Inspection Service (APHIS) is authorized, among other things, to prohibit the importation and interstate movement of animals and animal products to prevent the introduction into and dissemination within the United States of animal diseases and pests. The regulations under which disease prevention activities are contained are in Title 9, Chapter 1, Subchapter D, and Parts 91 through 99 of the Code of Federal Regulations. The purpose of these regulations is to allow poultry meat that originates in the United States to be shipped, for processing purposes, to a region where exotic Newcastle disease exists, and then returned to the United States. The process entails the use of four information collection activities in the form of a certificate of origin, serial numbers, records that must be maintained, and cooperative service agreements that must be signed.

Need and Use of the Information: APHIS will collect information to ensure that imported poultry carcasses pose a negligible risk of introducing END into the United States.

Description of Respondents: Business or other for-profit.

Number of Respondents: 4.

Frequency of Responses:

Recordkeeping; Reporting: On occasion.

Total Burden Hours: 30.

Ruth Brown,

Departmental Information Collection Clearance Officer.

[FR Doc. E6-12492 Filed 8-2-06; 8:45 am]

BILLING CODE 3410-34-P

DEPARTMENT OF AGRICULTURE

Submission for OMB Review; Comment Request

July 31, 2006.

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), OIRA_Submission@OMB.EOP.GOV or fax (202) 395-5806 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) 720-8681.

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.

Foreign Agricultural Service

Title: Trade Adjustment Assistance for Farmers (TAA).

OMB Control Number: 0551-0040.

Summary of Collection: The Trade Act of 2002 (HR 3009) (PL 107-210), established the Trade Adjustment Assistance for Farmers (TAA) program. The primary objective of this program is to provide technical and cash assistance to producers of raw agricultural commodities when the Administrator, Foreign Agricultural Service (FAS), determines that increased imports have contributed importantly to specific price decline over 5 preceding marketing years.

Need and Use of the Information: FAS will collect information to permit producers to petition and apply for

program benefits. The information is needed to determine eligibility to obtain benefits under the program providing trade adjustment assistance for farmers and to ascertain the amount of payments an adversely affected producer is entitled to receive. The information collected will provide essential data and economic information for use by FAS, Farm Service Agency, Economic Research Service, Extension Service, and other agencies within the Department.

Description of Respondents: Farms; not-for-profit institutions; business or other for-profit.

Number of Respondents: 1,000.

Frequency of Responses: Reporting: Annually.

Total Burden Hours: 14,000.

Ruth Brown,

Departmental Information Collection Clearance Officer.

[FR Doc. E6-12558 Filed 8-2-06; 8:45 am]

BILLING CODE 3410-10-P

DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

Trade Adjustment Assistance for Farmers

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Notice.

The Administrator, Foreign Agricultural Service (FAS), will begin accepting Trade Adjustment Assistance for Farmers petitions for fiscal year 2007 starting August 15, 2006. Petitioners can file their form FAS-930 or other acceptable petitions to FAS from August 15, 2006, through January 31, 2007.

Petitioners should file their petition in accordance with 7 CFR 1580.201. The petition must be received by the TAA office by close of business January 31, 2007. The TAA office address is Foreign Agricultural Service, ITP/IPPD, MS-1021, Washington, DC 20250-1021, or facsimile number is (202) 720-0876, or by e-mail to trade.adjustment@fas.usda.gov. Use of fax or email is recommended.

SUPPLEMENTARY INFORMATION: The Trade Act of 2002 (Pub. L. 107-210) amended the Trade Act of 1974 (19 U.S.C. 2551, *et seq.*) to add a new chapter 6, which established a program of trade adjustment assistance for farmers, providing both technical assistance and cash benefits to producers and qualified fishermen. The statute authorizes an appropriation of not more than \$90 million for each fiscal year 2003 through 2007 to carry out the program.

Under this program, a group of agricultural commodity producers and qualified fishermen may petition the Administrator for trade adjustment assistance. Petitions will be reviewed for completeness and timeliness. Once the petition is completed in accordance with 7 CFR 1580.201, the acceptance of the petition will be published in the **Federal Register**. Once a petition has been accepted, a determination will be made to verify that the most recent marketing year price for the commodity produced by the group is less than 80 percent of the average of the national average prices for the 5 marketing years preceding the most recent marketing year and that increases in imports of a like or directly competitive product contributed importantly to the decline in price. If these conditions are met, the Administrator will certify the group as eligible for trade adjustment assistance.

Once a petition has been certified, eligible producers and qualified fishermen will have 90 days to contact the Farm Service Agency to apply for assistance.

For Further Information Or Assistance In Completing Form Fas-930, Contact: Jean-Louis Pajot, Coordinator, Trade Adjustment Assistance for Farmers, FAS, USDA, (202) 720-2916, email: trade.adjustment@fas.usda.gov. Additional program information can be obtained at the TAA website. The URL is <http://www.fas.usda.gov/itp/taa/taaindex.htm>.

W. Kirk Miller,

Acting Administrator, Foreign Agricultural Service.

[FR Doc. E6-12504 Filed 8-2-06; 8:45 am]

BILLING CODE 3410-10-P

THE BROADCASTING BOARD OF GOVERNORS

Proposed Collection Reinstatement; Comment Request

AGENCY: The Broadcasting Board of Governors.

ACTION: Proposed Collection Reinstatement; Comment Request.

SUMMARY: The Broadcasting Board of Governors (BBG), as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on an information collection titled, "Surveys and Other Audience Research for Radio and TV Marti." This request for comment is being made pursuant to the Paperwork Reduction Act of 1995 [Pub. L. 104-13; 44 U.S.C. 3506(c)(2)(A)].

The information collection activity involved with this program is conducted pursuant to the mandate given to the BBG (formerly the United States Information Agency) in accordance with PL 98-111, the Radio Broadcasting to Cuba Act, dated, October 4, 1983, to provide for the broadcasting of accurate information to the people of Cuba and other purposes. This act was amended by PL 101-246, dated, February 16, 1990, which established the authority for TV Marti.

DATES: Comments must be submitted on or before October 2, 2006.

FOR FURTHER INFORMATION CONTACT: Ms. Jeannette Mancus, the BBG Clearance Officer, BBG, M/AA, Room 1657, 330 Independence Avenue, SW., Washington, DC 20237, telephone (202) 203-4664, e-mail address JGMancus@IBB.GOV.

Copies: Copies of the Request for Clearance (OMB 83-I), supporting statement, and other documents that will be submitted to OMB for approval may be obtained from the BBG Clearance Officer.

SUPPLEMENTARY INFORMATION: Public reporting burden for this proposed collection of information is estimated to average 30 minutes (.50 of an hour) per response for field survey respondents (400), and 240 minutes (4 hours) for Focus Group Study respondents (48), including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Responses are voluntary and respondents will be required to respond only one time. Comments are requested on the proposed information collection concerning:

(a) Whether the proposed collection of information is necessary for the proper performance of the agency, including whether the information has practical utility;

(b) the accuracy of the Agency's burden estimates;

(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. Send comments regarding this burden estimate or any other aspect of this collection of information to Ms. Jeannette Mancus, the BBG Clearance Officer, BBG, M/AA, Room 1657, 330 Independence Avenue, SW., Washington, DC 20237, telephone (202)

203-4664, e-mail address
JGMancus@IBB.GOV.

Current Actions: BBG is requesting reinstatement of this collection for a three-year period and approval for a revision to the burden hours.

Title: Surveys and Other Audience Research for Radio and TV Marti

Abstract: Data from this information collection are used by BBG's Office of Cuba Broadcasting (OCB) in fulfillment of its mandate to evaluate effectiveness of Radio and TV Marti operations by estimating the audience size and composition for broadcasts; and assess signal reception, credibility and relevance of programming through this research.

Proposed Frequency of Responses:

No. of Respondents—400 Field Study
+ 48 Group Study = 448

Recordkeeping Hours—.50 Field
Study + 4 Group Study = (200) + (192)
= 392

Total Annual Burden—

Dated: July 27, 2006.

Carol F. Baker,

Director of Administration.

[FR Doc. E6-12493 Filed 8-2-06; 8:45 am]

BILLING CODE 8610-01-P

DEPARTMENT OF COMMERCE

Economic Development Administration

Notice of Petitions by Firms for Determination of Eligibility to Apply for Trade Adjustment Assistance

AGENCY: Economic Development
Administration, Department of
Commerce.

ACTION: Notice and Opportunity for
Public Comment.

Pursuant to Section 251 of the Trade Act of 1974 (19 U.S.C. 2341 *et seq.*), the Economic Development Administration (EDA) has received petitions for certification of eligibility to apply for Trade Adjustment Assistance from the firms listed below. EDA has initiated separate investigations to determine whether increased imports into the United States of articles like or directly competitive with those produced by each firm contributed importantly to the total or partial separation of the firm's workers, or threat thereof, and to a decrease in sales or production of each petitioning firm.

LIST OF PETITIONS RECEIVED BY EDA FOR CERTIFICATION OF ELIGIBILITY TO APPLY FOR TRADE ADJUSTMENT ASSISTANCE FOR THE PERIOD JUNE 8, 2006 THROUGH JULY 28, 2006

Firm	Address	Date petition accepted	Product
Marlen Research Corp	9202 Barton Street, Overland Park, KS 66214.	6/8/06	Industrial food processing equipment.
Grain Place Foods, Inc	1904 N. Highway 14, Marquette, NE 68854.	6/20/06	Pet foods, whole and rolled cereal grains, popcorn.
Durex, Inc	5 Stahuber Avenue, Union, NJ 07083	6/20/06	Sheet metal and metal stamping components.
Beck's Waffles of Oklahoma	7311 N. Harrison, Shawnee, OK 74804	6/22/06	Waffle irons and waffle mix.
Permanent Press, Inc. dba Day Publishing & Training.	2903 Saturn Road, Garland, TX 75041 ..	6/22/06	Educational training books.
Scott Electric Systems, Inc.	310 Wall Street, Joplin, MO 64801	6/22/06	Electronic products.
American Precision Machining, LLC	19503 E. 6th Street, Tulsa, OK 74108 ...	6/22/06	Aircraft parts.
TGM, Inc.	299 Old Forks Road, Hammonton, NJ 08037.	6/22/06	Precision sheet metal components.
Laminating Specialties, Inc. and R&Z Acquisition Corp. dba New England Tool Co.	2 New Industrial Road, Warren, RI 02885.	6/23/06	Lettered cabinetry and related products.
Radia Enterprises, Inc. dba Career Uniforms.	3800 Juniper Street, Houston, TX 77087	6/23/06	Uniform apparel.
Rose City Archery, Inc	94931 Quiet Valley Lane, Myrtle Point, OR 94758.	6/28/06	Archery products.
Ace Pattern & Foundry of Kansas, Inc ...	1001 Sunshine Road, Kansas City, KS 66115.	6/30/06	Cast aluminum products.
Overland Products	1687 Airport Road, P.O. Box 567, Freemont, NE 68026.	7/12/06	Metal stamping tools and dies, metal windows, plated components and assemblies.
Eagle Flexible Packaging	1300 W. Washington Street, West Chicago, IL 60185.	7/12/06	Flexographic packaging.
American Lighting Fixture Corp dba Wilshire Manufacturing Corp..	645 Myles Standish Boulevard, Taunton, MA 02780.	7/18/06	Lighting fixtures.
Tri-Americas, Inc.	2931 Rosa Avenue, El Paso, TX 79905	7/20/06	Denim jeans.
Mechanical Enterprises, Inc.	2961 Olympic Industrial Drive SE, A, Smyrna, GA 30080.	7/20/06	Plastic assembly parts for aerospace, military and point of purchase display market.
Cascade Plastics Company, Inc	7009-45th St Ct East, Fife, WA 98424 ..	7/25/06	Molded plastic products.
GreenLeaf Industries, Inc	310 Bussell Ferry Road, Lenoir City, TN 37771.	7/25/06	Plastic products and fittings.
Market Forge Industries, Inc	35 Garvey Street, Everett, MA 02149	7/25/06	Industrial cookware equipment.
HMC International	6247 State Route 233, Rome, NY 13440	7/25/06	Plastic injection molded products.
Revere Copper Products, Inc	One Revere Park, Rome, NY 13440	7/25/06	Semi finished copper and copper alloy products.
Scott Specialties, Inc.	512 M Street, Belleville, KS 66935	7/26/06	Orthopedic goods.
Q Corporation	301 River Street, Derby, KS 67037-1528.	7/27/06	Parts and accessories for electronic industry.
Billy Goat Industries, Inc	1803 SW. Jefferson Street, Lee's Summit, MO 64082.	7/27/06	Mowers, blowers, vacuums, specialty and accessories/parts.

LIST OF PETITIONS RECEIVED BY EDA FOR CERTIFICATION OF ELIGIBILITY TO APPLY FOR TRADE ADJUSTMENT ASSISTANCE FOR THE PERIOD JUNE 8, 2006 THROUGH JULY 28, 2006—Continued

Firm	Address	Date petition accepted	Product
Southern Bakeries, LLC	2700 E. 3rd, Hope, AR 71801	7/27/06	Bakery products.
Dempster Industries, Inc	711 South 6th Street, Beatrice, NE 68310.	7/27/06	Pump and pumping equipment.
Scandia Packaging Machinery, Inc	15 Industrial Road, Fairfield, NJ 07004 ..	7/27/06	High-speed overwrapping system.
The Gaines Company	#77 Route 349, P.O. Box 35, Gaines, PA 16921.	7/27/06	Fishing lures.
Covenant Doors and Millwork, Inc	1604 5th Avenue, P.O. Box 105, Central City, NE 68826.	7/28/06	Pump and pumping equipment.

Any party having a substantial interest in these proceedings may request a public hearing on the matter. A written request for a hearing must be submitted to the Office of Chief Counsel, Room 7005, Economic Development Administration, U.S. Department of Commerce, Washington, DC 20230, no later than ten (10) calendar days following publication of this notice. Please follow the procedures set forth in Section 315.9 of EDA's interim final rule (70 FR 47002) for procedures for requesting a public hearing. The Catalog of Federal Domestic Assistance official program number and title of the program under which these petitions are submitted is 11.313, Trade Adjustment Assistance.

Barry Bird,
Chief Counsel.

[FR Doc. E6-12533 Filed 8-2-06; 8:45 am]

BILLING CODE 3510-24-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-549-502]

Extension of Time Limit for Final Results of Antidumping Duty Administrative Review: Circular Welded Carbon Steel Pipes and Tubes From Thailand

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

Effective Date: August 3, 2006.

FOR FURTHER INFORMATION CONTACT: Jacqueline Arrowsmith or Myrna Lobo, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-5255 or (202) 482-2371, respectively.

Background

On April 7, 2006, the Department published in the **Federal Register** the

preliminary results of the administrative review of the antidumping duty order on circular carbon steel welded pipes and tubes from Thailand. *See Circular Welded Carbon Steel Pipes and Tubes from Thailand: Preliminary Results of Antidumping Duty Administrative Review*, 71 FR 17810 (April 7, 2006). The current deadline for the final results of this review is August 7, 2006.

Extension of Time Limit for Final Results of Review

Section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act) requires the Department to issue the final results in an administrative review within 120 days after the date on which the preliminary results were published. However, if it is not practicable to complete the review within this time period, section 751(a)(3)(A) of the Act allows the Department to extend the time limit for the final results to 180 days from the date of publication of the preliminary results.

The Department finds that it is not practicable to complete the review within the original time frame due to the complex nature of the case. As this case involves complex issues related to Saha Thai's claim that its sales are made at more than one level of trade, and the Department must consider information requested and received after the issuance of the preliminary results, completion of this review is not practicable within the original time limit of August 7, 2006. Consequently, in accordance with section 751(a)(3)(A) of the Act and section 351.213(h)(2) of the Department's regulations, the Department is extending the time limit for the completion of the final results of the review until no later than September 7, 2006, which is within 180 days from the publication of the preliminary results.

This notice is issued and published in accordance with sections 751(a)(3)(A) and 777(i)(1) of the Act.

Dated: July 28, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6-12552 Filed 8-2-06; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-812]

Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea; Notice of Amended Final Results Pursuant to Court Decision

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

SUMMARY: On April 5, 2006, the United States Court of International Trade (CIT) sustained the final remand redetermination made by the Department of Commerce (the Department) pursuant to the CIT's third remand of the final results of the 1997-1998 administrative review of dynamic random access memory semiconductors of one megabit or above (DRAMs) from the Republic of Korea (Korea). *See Hyundai Electronics Industries Co., Ltd. and Hyundai Electronics America, Inc. v. United States and Micron Technology, Inc.*, 425 F. Supp. 2d 1321 (CIT 2006) (*Hyundai IV*). Because all litigation in this matter has now concluded, the Department is now issuing its amended final results in accordance with the CIT's decision.

Effective Date: August 3, 2006.

FOR FURTHER INFORMATION CONTACT: Ron Trentham or Tom Futtner, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Ave., NW., Washington, D.C. 20230; telephone: (202) 482-6320 or 482-3814, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 14, 1999, the Department published a notice of final results of the antidumping duty administrative review of DRAMs from Korea covering the period May 1, 1997 through April 30, 1998. *See Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea*, 64 FR 69694 (Dec. 14, 1999) (*Final Results*). Subsequently, Hyundai Electronics Industries Co., Ltd. (Hyundai)¹ filed suit at the CIT contesting the *Final Results*.

In the *Final Results*, the Department determined that: (1) The use of total adverse facts available (AFA) was warranted for LG Semicon (LG) (*see Final Results* at 64 FR 69695); (2) Hyundai and LG's reported research and development (R&D) expenses did not reflect the appropriate R&D cost of the subject merchandise (*see Final Results* at 64 FR 69702); and (3) the reduced R&D costs recognized by Hyundai and LG, through the amortization and deferral of their R&D expenses, did not reasonably reflect the R&D cost of the subject merchandise (*see Final Results* at 64 FR 69700).

On April 16, 2004, the Court remanded the Department's *Final Results*, in *Hyundai Electronics Industries, Co., Ltd., and Hyundai Electronics America Inc. v. United States and Micron Technology, Inc.*, 342 F. Supp. 2d 1141 (CIT 2004) (*Hyundai I*). In its remand, the Court ordered the Department to: (1) Recalculate LG's dumping margin by application of AFA to only a portion of its U.S. sales; (2) provide additional information regarding the effect of non-subject merchandise R&D on R&D for subject merchandise, or recalculate R&D costs on the most product-specific basis possible; (3) provide specific evidence showing how Hyundai and LG's actual R&D expenses for the period of review are not reasonably accounted for in their amortized R&D costs, or accept their amortization of R&D expenses, and (4) provide additional information showing how R&D expenses that are currently deferred by Hyundai and LG affect production or revenue for the instant review period, or accept their deferral methodology.

In its first redetermination on remand, the Department: (1) Recalculated LG's dumping margin using 89.10 percent as partial AFA; (2) provided information to

demonstrate that Hyundai and LG's production of subject merchandise has benefitted from cross-fertilization; (3) recalculated LG and Hyundai's R&D costs to allow for amortization, and (4) expensed Hyundai and LG's deferred R&D costs in the period incurred and explained why deferral of certain R&D expenses does not reasonably reflect the R&D expenses related to the subject merchandise.

In *Hyundai Electronics Industries, Co., Ltd., and Hyundai Electronics America Inc. v. United States and Micron Technology, Inc.*, 395 F. Supp. 2d 1231 (CIT 2005) (*Hyundai II*), the Court sustained the Department's application of 89.10 percent as partial AFA, and its use of amortized R&D expenses for calculating Hyundai and LG's respective costs of production. The Court remanded the Department's cross-fertilization determination with instructions to recalculate Hyundai and LG's R&D expenses without application of the cross-fertilization theory, and also remanded the Department's recognition of all of Hyundai and LG's 1997 R&D expenses for antidumping duty purposes with instructions to accept Hyundai's and LG's deferral methodology in calculating R&D expenses for their respective costs of production.

In *Hyundai Electronics Industries, Co., Ltd., and Hyundai Electronics America Inc. v. United States and Micron Technology, Inc.*, 414 F. Supp. 2d 1289 (CIT 2006) (*Hyundai III*), the Court ordered that the Department's original findings rejecting LG and Hyundai's cost amortization methodology, as stated in the *Final Results*, shall be reinstated in accordance with *Hynix Semiconductor Inc. v. United States*, 424 F.3d 1363 (Fed. Cir. 2005) (*Hynix IV*). However, the Court denied the Department's motion that its original findings rejecting LG and Hyundai's R&D deferral methodology, as stated in the *Final Results*, be reinstated in accordance with *Hynix IV*.

On April 5, 2006, the CIT found that the Department complied with the CIT's remand order in *Hyundai III* and sustained the Department's remand redetermination. *See Hyundai IV*, 425 F. Supp.2d at 1321. On June 5, 2006, consistent with the decision of the U.S. Court of Appeals for the Federal Circuit, in *Timken Co. v. United States*, 893 F. 2d 337 (Fed. Cir. 1990), the Department notified the public that the CIT's decision was "not in harmony" with the Department's *Final Results*. *See Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea*;

Notice of Court Decision Not in Harmony with Final Results of Administrative Review, 71 FR 32305 (June 5, 2006). We are issuing amended final results to reflect the results of the remand determinations because no party has further appealed and there is now a final and conclusive decision in the court proceeding.

Amended Final Results of Review

We are amending the final results of the 1997–1998 administrative review of the antidumping duty order on DRAMs from the Republic of Korea for LG and Hyundai. The revised weighted-average dumping margin for LG is 15.87 percent and the revised weighted-average dumping margin for Hyundai is 3.76 percent.

Assessment

The Department shall determine, and the U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. In accordance with section 351.212(b)(1) of the Department's regulations, we have calculated importer-specific assessment rates by dividing the dumping margins found on the subject merchandise examined by the estimated entered value of such merchandise. Where the importer-specific assess rates are above *de minimis*, we will instruct CBP to assess antidumping duties on that importer's entries of subject merchandise. The Department will issue appropriate assessment instructions directly to CBP within 15 days of publication of these amended final results of review.

These amended final results of administrative review are issued and published in accordance with section 516A(c)(1) of the Act.

Dated: July 26, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

[FR Doc. E6–12554 Filed 8–2–06; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–549–822]

Certain Frozen Warmwater Shrimp from Thailand; Corrected Partial Rescission of Antidumping Duty Administrative Review

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

EFFECTIVE DATE: August 3, 2006.

¹ After the 1997–1998 administrative review was completed, respondent Hyundai acquired LG Semicon. Subsequent to the acquisition the name of the combined company was changed to Hynix Semiconductor, Inc.

FOR FURTHER INFORMATION CONTACT: Irina Itkin or Alice Gibbons, AD/CVD Operations, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC, 20230; telephone (202) 482-0656 and (202) 482-0498, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 20, 2006, the Department of Commerce (the Department) published in the **Federal Register** its notice of partial rescission of the antidumping duty administrative review of certain frozen warmwater shrimp from Thailand for the period August 4, 2004, through January 31, 2006. *See Certain Frozen Warmwater Shrimp from Thailand; Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 41200 (July 20, 2006) (*Partial Rescission*). In the *Partial Rescission*, the Department noted that it was rescinding the administrative review with respect to Kiang Huat Sea Hull Trading Frozen Food Public Co., Ltd., based on a timely request for withdrawal. *See Partial Rescission*, 71 FR at 41201. However, the Department incorrectly spelled this company's name. Specifically, the correct name for this company is Kiang Huat Sea Gull Trading Frozen Food Public Co., Ltd.

We now correct the partial rescission of the 2004–2006 antidumping duty administrative review of certain frozen warmwater shrimp from Thailand as noted above. As a result of this correction, we are rescinding the 2004–2006 administrative review for Kiang Huat Sea Gull Trading Frozen Food Public Co., Ltd.

This corrected partial rescission is issued and published in accordance section 751 of the Tariff Act of 1930, as amended, and 19 CFR 351.213(d)(4).

Dated: July 26, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6–12536 Filed 8–2–06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

(A–475–703)

Granular Polytetrafluoroethylene Resin From Italy: Second Extension of the Time Limit for the Preliminary Results of Antidumping Duty Administrative Review

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

EFFECTIVE DATE: August 3, 2006.

FOR FURTHER INFORMATION CONTACT: Saliha Loucif or Salim Bhabhrawala, at (202) 482–1779 or (202) 482–1784, respectively; AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On September 28, 2005, the Department of Commerce (Department) published a notice of initiation of administrative review of the antidumping duty order on Granular Polytetrafluoroethylene Resin (PTFE) From Italy, covering the period August 1, 2004, through July 31, 2005. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 70 FR 56631 (September 28, 2006). On April 14, 2006, the Department extended the preliminary results from May 3, 2006 to August 1, 2006. *See Extension of the Time Limit for the Preliminary Results of Antidumping Duty Administrative Review*, 72 FR 19481 (April 14, 2006).

Second Extension of Time Limit for Preliminary Results of Review

Section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), requires the Department to complete the preliminary results of an administrative review within 245 days after the last day of the anniversary month of an order/finding for which a review is requested. However, if it is not practicable to complete the review within this time period, section 751(a)(3)(A) of the Act allows the Department to extend the time limit for the preliminary results to a maximum of 365 days after the last day of the anniversary month of an order/finding for which a review is requested.

We determine that it is not practicable to complete the preliminary results of this review within the originally

extended time limit due to a number of complicated issues (e.g., further-manufacturing of wet raw polymer into granular PTFE resin, U.S. warehousing), which must be addressed prior to the issuance of those results. The Department requires additional time to analyze the respondent's questionnaire response and issue any necessary supplemental questionnaires.

Accordingly, the Department is extending, by 30 days, the time limit for completion of the preliminary results of this administrative review until no later than August 31, 2006. We intend to issue the final results no later than 120 days after publication of the preliminary results notice.

This notice of extension of the time limit is published in accordance with 751(a)(3)(A) of the Act.

Dated: July 26, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6–12566 Filed 8–2–06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–891]

Hand Trucks and Certain Parts Thereof From the People's Republic of China; Notice of Extension of Time Limits for Preliminary Results in Antidumping Duty Administrative Review and New Shipper Review

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

Effective Date: August 3, 2006.

FOR FURTHER INFORMATION CONTACT:

Elizabeth Eastwood or Nichole Zink, AD/CVD Operations, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3874 and (202) 482–0049, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 1 and February 3, 2006, respectively, the Department of Commerce (the Department) published notices of initiation of administrative and new shipper reviews of the antidumping duty order on hand trucks and certain parts thereof (hand trucks) from the People's Republic of China (PRC). *See Initiation of Antidumping and Countervailing Duty Administrative*

Reviews and Request for Revocation in Part, 71 FR 5241 (Feb. 1, 2006); and *Hand Trucks and Certain Parts Thereof from the People's Republic of China; Initiation of New Shipper Review*, 71 FR 5810 (Feb. 3, 2006).

On May 31, 2006, the Department published a notice aligning the time limits for the new shipper review with those for the administrative review. *See Hand Trucks and Certain Parts Thereof from the People's Republic of China: Notice of Postponement of Time Limits for New Shipper Antidumping Duty Review in Conjunction with Administrative Review*, 71 FR 30867 (May 31, 2006). Consequently, the preliminary results for both proceedings are currently due no later than September 5, 2006.

The period of review for both proceedings is December 1, 2004, through November 30, 2005. The new shipper review covers one producer/exporter of the subject merchandise to the United States. The administrative review covers five producers/exporters of the subject merchandise to the United States.

Extension of Time Limits for Preliminary Results

Pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h)(1), the Department shall make a preliminary determination in an administrative review of an antidumping order within 245 days after the last day of the anniversary month of the date of publication of the order. The Act further provides, however, that the Department may extend the 245-day period to 365 days if it determines it is not practicable to complete the review within the foregoing time period. *See also*, 19 CFR 351.213(h)(2). We determine that it is not practicable to complete this administrative review within the time limits mandated by section 751(a)(3)(A) of the Act because the Department's selection of mandatory respondents in this administrative review was not completed until May 2006, due to the withdrawal of the request for review of the company originally designated as the sole mandatory respondent. As a result, the Department was required to select additional mandatory respondents from the firms named in the notice of initiation and issue questionnaires to them. Because additional time is required to analyze these parties' responses, we have fully extended the deadline for completing the preliminary results until January 2, 2007, which is the next business day

after 365 days from the last day of the anniversary month of the date of publication of the order. The deadline for the final results of the review continues to be 120 days after the publication of the preliminary results.

This extension is in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2).

Dated: July 26, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6-12551 Filed 8-2-06; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

A-549-817

Notice of Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review: Certain Hot-Rolled Carbon Steel Flat Products From Thailand

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

EFFECTIVE DATE: August 3, 2006.

FOR FURTHER INFORMATION CONTACT: Stephen Bailey, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0193.

SUPPLEMENTARY INFORMATION:

Background

The Department of Commerce (the Department) received timely requests for administrative review of the antidumping duty order on certain hot-rolled carbon steel flat products (hot-rolled steel) from Thailand, with respect to Sahaviriya Steel Industries Public Company Limited (SSI) on November 30, 2005, from domestic producer Nucor Corporation (Nucor). Also on November 30, 2005, the Department received a request for administrative review of the same order for SSI, Nakornthai Strip Mill Public Co., Ltd. (NSM), and G Steel Public Company Limited (G Steel) from petitioner United States Steel Corporation (petitioner). On December 22, 2005, the Department published a notice of initiation of this administrative review for the period of November 1, 2004, through October 31, 2005. *See Notice of Initiation of Antidumping and Countervailing Duty Administrative*

Reviews and Request for Revocation in Part, 70 FR 76024 (December 22, 2005).

On January 13, 2006, G Steel submitted a no-shipments letter to the Department in which it claimed it did not have sales, shipments, or entries of subject merchandise to the United States during the current period of review (*i.e.*, November 1, 2004 through October 31, 2005).

On March 22, 2006, both Nucor and petitioner submitted letters withdrawing their requests for administrative review of the above-referenced antidumping duty order with respect to SSI. Accordingly, on April 28, 2006, the Department rescinded this review with respect to SSI. *See Partial Rescission of Antidumping Duty Administrative Review: Certain Hot-Rolled Carbon Steel Flat Products from Thailand*, 71 FR 25148 (April 28, 2006).

Extension of Time Limits for Preliminary Results

Pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), the Department shall issue preliminary results in an administrative review of an antidumping duty order within 245 days after the last day of the anniversary month of the date of publication of the order. The Act further provides, however, that the Department may extend that 245-day period to 365 days if it determines it is not practicable to complete the review within the foregoing time period.

In light of the complexity of analyzing NSM's sales data, its cost calculations and the control number reporting methodology for various products, it is not practicable to complete this review by the current deadline of August 2, 2006. Therefore, in accordance with section 751(a)(3)(A) of the Act, the Department is extending the time limit for the preliminary results 60 days until October 2, 2006. The final results continue to be due 120 days after the publication of the preliminary results, in accordance with section 351.213 (h) of the Department's regulations.

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: July 24, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6-12535 Filed 8-2-06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE**National Oceanic and Atmospheric Administration**

[I.D. 072806C]

Marine Mammals; File No. 87-1851

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

ACTION: Notice; receipt of application for permit.

SUMMARY: Notice is hereby given that Daniel P. Costa, Ph.D., Department of Biology and Institute of Marine Sciences, University of California, Santa Cruz, CA 95064, has applied for a permit to conduct research on pinnipeds in Antarctica and California.

DATES: Written, telefaxed, or e-mail comments must be received on or before September 5, 2006.

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

Permits, Conservation and Education Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301)713-2289; fax (301)427-2521; and

Southwest Region, NMFS, 501 West Ocean Blvd., Suite 4200, Long Beach, CA 90802-4213; phone (562)980-4001; fax (562)980-4018.

Written comments or requests for a public hearing on this application should be submitted to the Chief, Permits, Conservation and Education Division, F/PR1, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910. Those individuals requesting a hearing should set forth the specific reasons why a hearing would be appropriate.

Comments may also be submitted by facsimile at (301) 427-2521, provided the facsimile is confirmed by hard copy submitted by mail and postmarked no later than the closing date of the comment period.

Comments may also be submitted by e-mail. The mailbox address for providing email comments is NMFS.Pr1Comments@noaa.gov. Include in the subject line of the e-mail comment the following document identifier: File No. 87-1851.

FOR FURTHER INFORMATION CONTACT: Amy Sloan, (301)713-2289.

SUPPLEMENTARY INFORMATION: The permit is requested under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et*

seq.), the regulations governing the taking and importing of marine mammals (50 CFR part 216), the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 *et seq.*), and the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR 222-226).

The applicant proposes to conduct two projects over a 5-year period. Project I involves research in Antarctica to conduct tagging studies and physiological measurements on up to 35 Crabeater seals (*Lobodon carcinophagus*), 35 southern elephant seals (*Mirounga leonina*), 10 leopard seals (*Hydrurga leptonyx*), 10 Weddell seals (*Leptonychotes weddellii*), and five Ross seals (*Ommatophoca rossii*) of any age annually. Procedures would include capture, sedation, ultrasound, morphometrics, isotope and Evans blue dye administration, blood sampling, tagging/marking, instrument attachment, stomach lavage, specimen collection (whisker, claw, tooth, muscle and blubber biopsy), and recapture to remove instruments. An additional 50 juvenile southern elephant seals would be captured, weighed, measured, and flipper tagged annually. An additional 10 adult leopard seals, 10 adult Weddell seals, and 30 adult female southern elephant seals would have flipper tags applied annually. Up to 100 additional southern elephant seals and 100 additional seals of the other four species combined would be harassed annually incidental to these activities. The applicant also requests unintentional research-related mortality of up to three seals of any of these five seal species annually, not to exceed eight seals over the five years of the permit. Tissue samples would be imported into the United States.

Project II would involve research on California sea lions (*Zalophus californianus*) to investigate foraging, diving, energetics, food habits, and at-sea distribution along the California coast. Procedures would include capture, sedation, morphometrics, isotope and Evans blue dye administration, blood sampling, tagging/marking, instrument attachment, stomach lavage and enema, blubber/muscle biopsy, metabolic measurements, stomach temperature telemeters, and milk sampling. Up to 100 pups/juveniles and 100 adults would be sampled annually, with some or all of the procedures performed. Harassment of unlimited numbers of California sea lions, harbor seals (*Phoca vitulina*), northern elephant seals (*Mirounga augustirostris*), and northern fur seals (*Callorhinus ursinus*) and up to

20 threatened Steller sea lions (*Eumetopias jubatus*) annually incidental to these activities is requested. The applicant also requests unintentional research-related mortality of up to five California sea lions over the course of the permit.

Concurrent with the publication of this notice in the **Federal Register**, NMFS is forwarding copies of these applications to the Marine Mammal Commission and its Committee of Scientific Advisors.

Dated: July 28, 2006.

Tammy C. Adams,

Acting Chief, Permits, Conservation and Education Division, Office of Protected Resources, National Marine Fisheries Service.
[FR Doc. E6-12555 Filed 8-2-06; 8:45 am]

BILLING CODE 3510-22-S

DEPARTMENT OF DEFENSE**Department of the Navy**

Notice of Intent To Prepare an Environmental Impact Statement for the Development of the Westside of Marine Corps Base Quantico, Including the 2005 Base Realignment and Closure (BRAC) Action, Marine Corps Base Quantico (MCBQ), Virginia

AGENCY: Department of the Navy, DoD.

ACTION: Notice.

SUMMARY: Pursuant to Section 102(2)(C) of the National Environmental Policy Act (NEPA) of 1969, as implemented by the Council on Environmental Quality regulations (40 CFR parts 1500-1508), and applicable Marine Corps Order P5090.2A, guidelines for NEPA, the Marine Corps announces its intent to prepare an Environmental Impact Statement (EIS) for the development of the westside of MCBQ, including the 2005 BRAC action at MCBQ, VA. The Marine Corps previously published a Notice of Intent (NOI) to prepare a Programmatic Environmental Impact Statement (Vol. 67 FR 37405) for the development of the westside of MCBQ on May 29, 2002. This NOI cancels the previous NOI, and establishes the opportunity for the public to comment on the proposed action which now includes the BRAC 2005 actions at MCBQ.

The Marine Corps will hold a public scoping meeting open house for the purpose of further identifying the scope of issues to be addressed in the EIS. Written and recorded comments will be accepted during this time. To ensure that the full range of issues related to this proposed action will be addressed, representatives from MCBQ will be

available to answer questions and solicit public comments from all interested parties during the open house.

Following future publication of the draft EIS, at a time to be determined, a second public meeting will be held to address comments on the draft document.

DATES: All written comments must be received by September 8, 2006. The public scoping meeting will be held on Tuesday, August 22, 2006, at the Ramada Inn, 4316 Inn Street, Triangle, VA between 7 p.m. and 9:30 p.m.

ADDRESSES: Agencies and the public are also encouraged to provide written comments in addition to, or in lieu of, oral comments at the scoping open house. Written comments and requests for inclusion on the EIS mailing list may be submitted to: Commander, NREA Branch (B 046), Attn: J. Gardner, 3250 Catlin Avenue, Marine Corps Base, Quantico, VA 22134-0855.

FOR FURTHER INFORMATION CONTACT: Mr. Jeff Gardner, 703-432-6770. Please submit requests for special assistance, sign language interpretation for the hearing impaired, or other auxiliary aids at the public meeting to Mr. Gardner by August 14, 2006.

SUPPLEMENTARY INFORMATION: MCBQ is a 60,000-acre combat education and training base located approximately 30 miles south of Washington DC. The 2005 BRAC law has directed the relocation and collocation of Military Department Investigation Agencies and the Department of Defense Counterintelligence and Security Agency to MCBQ. This is expected to add approximately 3,000 personnel at MCBQ by 2011. Other Federal and Marine Corps initiatives are expected to continue to identify MCBQ as a possible site for relocation. As part of a long-range planning effort to accommodate these anticipated requirements, the Quantico Land Use Plan, I-95 West, was developed for the Marine Corps which evaluated potential areas within the installation that are the most suitable/practical for locating new development, including the BRAC 2005 actions, without impacting its primary mission of military education and training. The age and deteriorating condition of many facilities on the Mainside of MCBQ dictate a need for their replacement. Space available for new development or redevelopment is limited due to many factors including acreage, current land use, topography, and environmental constraints. To eliminate existing incompatible land uses and better utilize land within the installation, MCBQ has identified two parcels within the westside of MCBQ (hereon referred to as the Westside Development Area)

for potential future development. These areas were determined to have suitable acreage for the proposed development, reduced construction costs, and are not overly constrained by environmental or operational factors. These locations are: the Russell Road parcel and MCB-1 parcel. The proposed action for this EIS is to use the Westside Development Area of MCBQ for relocation of existing and future potential base functions and to accommodate the BRAC 2005 actions. The components of the proposed action include construction and operation of new facilities with a mix of uses to include administrative, warehouse, maintenance, and industrial facilities and the necessary infrastructure, road improvements, and security measures to support the proposed action.

A range of alternatives was developed to assess the proposed action based on the *Quantico Land Use Plan, I-95 West* (MCBQ, 2006). This study identified potential development scenarios based on present and future mission needs and land use analysis. Alternatives to implement the proposed action include four intensities of development and two proposed alternative locations for implementing the BRAC action. For each development intensity alternative, sub-alternatives analyzing development at either Location A or Location B will be addressed. First alternative, high-intensity development would add up to 10,000 personnel, including 3,000 under BRAC. The construction would include facilities designed primarily for administrative and operational functions, including warehousing, maintenance, and support facilities. Parking and road improvements would be included. Second alternative, medium-intensity development would add up to 7,000 personnel, including 3,000 under BRAC. The construction under this alternative would remain mixed use with a lower intensity of administrative facilities and include parking and road improvements. Third alternative, low-intensity development would add 5,000 personnel, including 3,000 under BRAC. The majority of the construction under this alternative would include warehousing and maintenance facilities and to a lesser extent administrative and operational facilities. Road improvements would be limited to those necessary to accommodate the BRAC action. Additionally, a fourth alternative, the BRAC Action alternative, would add only the development required to accommodate those personnel (3,000) associated with the BRAC 2005 action. The construction footprint would include 70 to 100 acres of land,

construction of approximately 735,000 square feet of new construction, and improvement of existing roads. The No Action Alternative will also be evaluated as required by NEPA. The EIS will address the following environmental areas: topography, geology, and soils; water and biological resources; air quality; noise; infrastructure and utilities; traffic; cultural resources; land use; socioeconomic; and hazardous waste and materials.

Dated: July 27, 2006.

M.A. Harvison,

Lieutenant Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

[FR Doc. E6-12532 Filed 8-2-06; 8:45 am]

BILLING CODE 3810-FF-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP06-443-000]

Alliance Pipeline L.P.; Notice of Proposed Changes in FERC Gas Tariff

July 27, 2006.

Take notice that on July 24, 2006, Alliance Pipeline L.P. (Alliance) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the following tariff sheets, to become effective August 1, 2006:

Second Revised Sheet No. 2

Original Sheet No. 277E

Alliance states that copies of its filing have been mailed to all customers, state commissions, and other interested parties.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed in accordance with the provisions of Section 154.210 of the Commission's regulations (18 CFR 154.210). Anyone filing an intervention or protest must serve a copy of that document on the Applicant. Anyone filing an intervention or protest on or before the intervention or protest date need not serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426.

This filing is accessible online at <http://www.ferc.gov>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, D.C. There is an "eSubscription" link on the Web site that enables subscribers to receive e-mail notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please e-mail FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Magalie R. Salas,

Secretary.

[FR Doc. E6-12505 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket Nos. CP06-425-000 and CP06-426-000]

Discovery Producer Services LLC, Discovery Gas Transmission LLC; Notice of Filing

July 27, 2006.

Take notice that on July 20, 2006, Discovery Producer Services LLC (DPS) and Discovery Gas Transmission LLC (Discovery) jointly filed an abbreviated application for the certificates of public convenience and necessity, pursuant to section 7(c) of the Natural Gas Act (NGA) and Part 157 of the Commission's Rules and Regulations, authorizing DPS to provide Discovery the use of capacity on DPS' non-jurisdictional gathering facilities through a capacity lease, to effectuate the transportation of natural gas received from Texas Eastern Transmission, LP (Texas Eastern) for delivery to DPS' Larose processing plant and for ultimate delivery downstream into the interstate pipeline grid. The application is on file with the Commission and open for public inspection. This filing is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the

last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at (866) 208-3676, or for TTY, contact (202) 502-8659.

On October 11, 2005, the Commission granted the emergency authorization allowing DPS to deliver gas supplies received from Texas Eastern, into its 20-inch non-jurisdictional gathering line to Discovery's jurisdictional facilities for subsequent delivery to the Larose processing plant. Because of the threat of potential supply disruptions due to the storms in the Gulf Coast region remains an ongoing concern, DPS and Discovery request Commission authorization to make permanent the limited term emergency transportation service which will expire on November 30, 2006. DPS will make available capacity, up to 300,000 Dts per day, on DPS' 20-inch non-jurisdictional gathering line to Discovery. This proposed capacity will be provided to Discovery on an interruptible basis through a capacity lease arrangement (Lease Agreement). The service offered to Discovery through the Lease Agreement will be strictly ancillary to DPS' primary business of providing gathering, processing, treating, and compression services in Louisiana. DPS requests a limited jurisdiction certificate to permit Discovery's use of DPS' non-jurisdictional facilities without having DPS' gathering and processing facilities, and operations becoming subject to the Commission's jurisdiction and the full panoply of the NGA. The pipeline interconnects and facilities necessary to provide this transportation service already exist. No new facilities will be required.

Any questions regarding the application are to be directed to Kevin R. Rehm, Vice President, Discovery Producer Services LLC, Discovery Gas Transmission LLC, 2800 Post Oak Boulevard, Houston, Texas 77056; phone number (713) 215-2694.

Any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the below listed comment date, file with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, a motion to intervene 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). A person obtaining party 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 all other parties. A party must submit 14 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

Motions to intervene, protests and comments 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 under the "e-Filing" link. The Commission strongly encourages electronic filings.

Comment Date: August 17, 2006.

Magalie R. Salas,

Secretary.

[FR Doc. E6-12506 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP06-393-002]

National Fuel Gas Supply Corporation; Notice of Compliance Filing

July 27, 2006.

Take notice that on July 5, 2006, National Fuel Gas Supply Corporation (National Fuel) filed in RP06-393-002 to comply with a Commission Letter Order issued June 29, 2006 [115 FERC ¶ 61,381 (2006)]. In its filing, National Fuel filed an explanation of section 3.4 of Rate Schedule FT as it relates to discounting fuel charges.

Any person desiring to protest this filing must file in accordance with Rule 211 of the Commission's Rules of Practice and Procedure (18 CFR 385.211). Protests to this filing will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Such protests must be filed on or before the date as indicated below. Anyone filing a protest must serve a copy of that document on all parties to the proceeding.

The Commission encourages electronic submission of protests in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest to the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the "eLibrary" link and is available for

review in the Commission's Public Reference Room in Washington, DC. There is an "eSubscription" link on the Web site that enables subscribers to receive e-mail notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please e-mail FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: 5 p.m. Eastern Time on August 3, 2006.

Magalie R. Salas,

Secretary.

[FR Doc. E6-12509 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP06-394-001]

Northwest Pipeline Corporation; Notice of Supplemental Information

July 27, 2006.

Take notice that on July 24, 2006, Northwest Pipeline Corporation (Northwest) tendered for filing its supplemental explanatory information in compliance with the Commission's July 14, 2006, letter order.

Any person desiring to protest this filing must file in accordance with Rule 211 of the Commission's Rules of Practice and Procedure (18 CFR 385.211). Protests to this filing will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Such protests must be filed on or before the date as indicated below. Anyone filing a protest must serve a copy of that document on all the parties to the proceeding.

The Commission encourages electronic submission of protests in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest to the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426.

This filing is accessible online at <http://www.ferc.gov>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, DC. There is an "eSubscription" link on the Web site that enables subscribers to receive e-mail notification when a document is added to a subscribed docket(s). For assistance with any FERC

Online service, please e-mail FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: 5 p.m. Eastern Time on August 3, 2006.

Magalie R. Salas,

Secretary.

[FR Doc. E6-12510 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP06-423-000]

Questar Overthrust Pipeline Company; Notice of Application

July 27, 2006

Take notice that on July 19, 2006, Questar Overthrust Pipeline Company (Overthrust), 180 East 100 South, Salt Lake City, Utah 84111, filed an application under section 7 of the Natural Gas Act seeking authority to construct and operate the Wamsutter Expansion Project consisting of: (i) 77.2 miles of 36-inch diameter pipeline and related facilities extending from the eastern terminus of its transmission system located at Questar Pipeline Company's Kanda-Nightingale-Coleman Compressor Complex and terminating at the proposed interconnect with Rockies Express Pipeline LLC (REX) near Wamsutter, Wyoming (Wamsutter) in Sweetwater County; (ii) 700 feet of 20-inch diameter main-line connector pipeline and related facilities extending from the Rendezvous Tap Valve¹ to a tie-in point with Tie Line (TL) 90 in Lincoln County, Wyoming; (iii) the new Roberson compressor station, totaling 30,000 horsepower (Hp), in Lincoln County, Wyoming; (iv) the new Rock Springs compressor station, totaling 15,000 Hp, in Sweetwater County, Wyoming; (v) three new receipt points; and (vi) one new delivery point, with the project components located within Lincoln, Uinta and Sweetwater Counties, Wyoming, all as more fully set forth in the application which is on file with the Commission and open for public inspection. These filings are available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the

¹ The Rendezvous Tap Valve is proposed to be installed as part of Overthrust's expansion project in Docket No. CP06-167-000.

document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at (866) 208-3676, or for TTY, contact (202) 502-8659.

Any questions regarding this application should be directed to Lenard G. Wright, Manager, Federal Regulatory Affairs, Questar Pipeline Company, 180 East 100 South, P.O. Box 45360, Salt Lake City, Utah 84145-0360 at (801) 324-2459, or by fax at (801) 324-5834.

The proposed Wamsutter Expansion project will enable Overthrust to transport an additional 750,000 Dth/d of natural gas from the proposed new receipt points on Overthrust's interstate transmission system to an existing interconnect with Wyoming Interstate Company, Ltd. (WIC), and 625,000 Dth/d to the proposed delivery point with REX near Wamsutter, Wyoming. It is further explained that Overthrust has negotiated a long-term capacity lease with REX, initially for 625,000 Dth/d of incremental transportation capacity and a firm precedent agreement with WIC for 125,000 Dth/d that supports construction of the proposed project. Overthrust estimates the total cost for the Wamsutter Expansion to be \$202.3 million and requests the Commission issue an order by March 31, 2007.

On March 29, 2006, the Commission staff granted Overthrust's request to utilize the National Environmental Policy Act (NEPA) Pre-Filing Process and assigned Docket No. PF06-19-000 to staff activities involving the Overthrust's expansion project. Now, as of the filing of Overthrust's application on July 19, 2006, the NEPA Pre-Filing Process for this project has ended. From this time forward, Overthrust's proceeding will be conducted in Docket No. CP06-423-000, as noted in the caption of this Notice. Additionally, the Commission will review the project as a part of the Environmental Impact Statement being prepared for the REX Project in Docket No. CP06-354-000.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the below listed comment date, file with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, a motion to intervene 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). A person obtaining party 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 all other parties. A party must submit 14 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commenters will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commenters will not be required to serve copies of filed documents on all other parties. However, the non-party commenters will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

Motions to intervene, protests and comments 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 under the "e-Filing" link. The Commission strongly encourages electronic filings.

Comment Date: August 17, 2006.

Magalie R. Salas,
Secretary.

[FR Doc. E6-12511 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket Nos. EL06-91-000, P-12252-023]

Fourth Branch Associates (Mechanicville), Complainant, v Hudson River-Black Regulating District, Respondent; Notice of Complaint

July 27, 2006.

On July 25, 2006, Fourth Branch Associates (Fourth Branch) filed a formal complaint against Hudson River-Black River Regulating District (District) pursuant to Rule 206 of the Commission's Rules of Practice and Procedure, 18 CFR 385.206 (2006), and section 306 of the Federal Power Act (FPA), 16 U.S.C. 825(e).

In 2002, the Commission issued an original license to the District for the continued operation of the Great Sacandaga Lake Project No. 12252.¹ The project is located on the Sacandaga River, a tributary of the Hudson River. Fourth Branch is the licensee for the Mechanicville Project No. 6032, located on the Hudson River downstream of the Sacandaga River.²

Fourth Branch alleges that when the District became a licensee in 2002, its annual assessment of charges against Fourth Branch to cover a portion of the District's costs of operating and maintaining Great Sacandaga Lake came under the headwater benefits provisions of section 10(f) of the FPA, 16 U.S.C. 803(f) (2000), and sections 11.10 through 11.17 of the Commission's regulations, 18 CFR 11.10-11.17 (2006). Fourth Branch further alleges that since 2002, the District has continued to assess and collect these charges from Fourth Branch notwithstanding the absence of an agreement with Fourth Branch for those charges or Commission approval of the charges. Moreover, Fourth Branch contends, despite Commission orders in 2002 and 2004 requiring the District to submit both its headwater benefits charges agreement and actual charges to the Commission for approval,³ the District has failed to do so, and is therefore in violation of the FPA and the Commission's regulations.

Fourth Branch certifies that copies of the complaint were served on the District, as well as all Hudson River hydroelectric and municipal flood

¹ Hudson River-Black River Regulating District, 100 FERC ¶ 61,319 (2002); order on rehearing, 102 FERC ¶ 61,133 (2003).

² There are a number of other licensed projects located downstream of the District's project.

³ See 100 FERC ¶ 61,319 at P 47-49; and 102 FERC ¶ 61,133 at P 13-14.

control recipients of annual assessment bills from the District.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. The Respondent's answer and all interventions, or protests must be filed on or before the comment date. The Respondent's answer, motions to intervene, and protests must be served on the Complainants.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, DC. There is an "eSubscription" link on the Web site that enables subscribers to receive e-mail notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please e-mail FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: 5 p.m. Eastern Time on August 16, 2006.

Magalie R. Salas,
Secretary.

[FR Doc. E6-12507 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

July 28, 2006

Take notice that the Commission received the following electric corporate filings:

Docket Numbers: EC06-143-000.

Applicants: Mesquite Investors, L.L.C.; Chaparral Investors, L.L.C.; Capital District Energy Center Cogeneration Associates; Hartford

Power Company I LLC; Hartford Power Company II LLC.

Description: Chaparral Investors, LLC, et al. submit an application for order authorizing transfer of control of jurisdictional facilities under Section 203 of the Federal Power Act.

Filed Date: 07/25/2006.

Accession Number: 20060727-0090.

Comment Date: 5 p.m. Eastern Time on Tuesday, August 15, 2006.

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG06-51-000.

Applicants: SAF Hydroelectric LLC.

Description: SAF Hydroelectric LLC submits an amended Notice of Self Certification demonstrating that it is an Exempt Wholesale Generator as defined in Section 366.1 of FERC's Regulations.

Filed Date: 07/26/2006.

Accession Number: 20060727-0037.

Comment Date: 5 p.m. Eastern Time on Wednesday, August 16, 2006.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER03-879-004;

ER03-880-004; ER03-882-004.

Applicants: D.E. Shaw Plasma Trading, L.L.C.; D.E. Shaw & Co. Energy, L.L.C.; D.E. Shaw Plasma Power, L.L.C.

Description: D.E. Shaw Plasma Trading L.L.C., et al. jointly submit an updated triennial market power analysis pursuant to Commission's 4/14/04; 7/8/04; & 7/23/03 Orders.

Filed Date: 07/24/2006.

Accession Number: 20060727-0092.

Comment Date: 5 p.m. Eastern Time on Monday, August 14, 2006.

Docket Numbers: ER04-954-002.

Applicants: Ritchie Energy Products, L.L.C.

Description: Ritchie Energy Products, LLC submits its triennial market power update pursuant to FERC's order issued 7/25/03.

Filed Date: 07/25/2006.

Accession Number: 20060727-0035.

Comment Date: 5 p.m. Eastern Time on Tuesday, August 15, 2006.

Docket Numbers: ER06-368-000;

ER06-368-001; ER06-368-002.

Applicants: MidAmerican Energy Company.

Description: MidAmerican Energy submits its compliance filing pursuant to FERC's 5/26/06 Order.

Filed Date: 07/25/2006.

Accession Number: 20060727-0088.

Comment Date: 5 p.m. Eastern Time on Tuesday, August 15, 2006.

Docket Numbers: ER06-1162-001.

Applicants: Select Energy New York, Inc.

Description: Select Energy New York, Inc submits a Substitute Second Revised Sheet No. 2 to First Revised FERC Electric Rate Schedule 1.

Filed Date: 07/26/2006.

Accession Number: 20060727-0275.

Comment Date: 5 p.m. Eastern Time on Wednesday, August 16, 2006.

Docket Numbers: ER06-1276-000.

Applicants: Public Service Company of New Mexico.

Description: Public Service Company of New Mexico submits an executed Network Integration Transmission Service Agreement and an associated executed Network Operating Agreement.

Filed Date: 07/25/2006.

Accession Number: 20060726-0085.

Comment Date: 5 p.m. Eastern Time on Tuesday, August 15, 2006.

Docket Numbers: ER06-1278-000.

Applicants: Southwestern Electric Power Company.

Description: Southwestern Electric Power Co submits actuarial reports with respect to post-employment benefits other than pensions and post-employment benefits for calendar year 2005.

Filed Date: 07/26/2006.

Accession Number: 20060727-0276.

Comment Date: 5 p.m. Eastern Time on Wednesday, August 16, 2006.

Docket Numbers: ER06-1279-000.

Applicants: E.ON U.S., LLC; Louisville Gas & Electric Company; Kentucky Utilities.

Description: E.ON U.S. LLC et al. submit their Amended Agreement with the Kentucky Municipals and the TVA Distributor Group.

Filed Date: 07/26/2006.

Accession Number: 20060727-0270.

Comment Date: 5 p.m. Eastern Time on Wednesday, August 16, 2006.

Docket Numbers: ER06-1280-000.

Applicants: Hess Corporation.

Description: Hess Corporation submits a notice of succession to notify the Commission that as a result of a corporate name change it has succeeded to the market-based rate schedule of Amerada Hess Corp.

Filed Date: 07/26/2006.

Accession Number: 20060727-0277.

Comment Date: 5 p.m. Eastern Time on Wednesday, August 16, 2006.

Docket Numbers: ER06-1281-000; ER06-1282-000.

Applicants: California Independent System Operator Corporation; Pacific Gas and Electric Company.

Description: California Independent System Operator Corp et al. submit their revised tariff sheets to the ISO Tariff & PG&E's Pass-Through Tariff, effect 1/1/07.

Filed Date: 07/26/2006.

Accession Number: 20060727-0278.

Comment Date: 5 p.m. Eastern Time on Wednesday, August 16, 2006.

Any person desiring to intervene or to protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) on or before 5 p.m. Eastern time on the specified comment date. It is not necessary to separately intervene again in a subdocket related to a compliance filing if you have previously intervened in the same docket. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant. In reference to filings initiating a new proceeding, interventions or protests submitted on or before the comment deadline need not be served on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at <http://www.ferc.gov>. To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 14 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First St., NE., Washington, DC 20426.

The filings in the above proceedings are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive e-mail notification when a document is added to a subscribed dockets(s). For assistance with any FERC Online service, please e-mail FERCOnlineSupport@ferc.gov. or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Magalie R. Salas,
Secretary.

[FR Doc. E6-12512 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY**Federal Energy Regulatory Commission****Notice of Application and Soliciting Comments, Motions To Intervene, and Protests**

July 27, 2006.

Take notice that the following report has been filed with the Commission and is available for public inspection:

- a. *Filing Type*: Recreation Plan Update.
- b. *Project No*: 2459-179.
- c. *Date Filed*: June 29, 2006.
- d. *Applicant*: Allegheny Energy Supply Company, LLC (AE).
- e. *Name of Project*: Lake Lynn Hydroelectric Project.
- f. *Location*: On the Cheat River, in Monongalia County, West Virginia, and Fayette County, Pennsylvania.
- g. *Filed Pursuant to*: Federal Power Act, 16 U.S.C. 791(a)-825(r).
- h. *Applicant Contact*: Mr. Charles L. Simon, 4350 Northern Pike, Monroeville, PA 15146-2841. Phone: (412) 858-1675.
- i. *FERC Contact*: Any questions on this notice should be addressed to Shana High at (202) 502-8674 or shana.high@ferc.gov.
- j. *Deadline for filing comments and/or motions*: August 28, 2006.

All documents (original and eight copies) should be filed with: Magalie R. Salas, Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. Please include the project number (P-2459-179) on any comments or motions filed. Comments, protests and interventions 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 under the "eFiling" link.

k. *Description of Proposal*: AE developed an Updated Recreation Plan (plan) to comply with article 417 of the project license. The plan was prepared following an evaluation of facility usage data and addresses recreation use as well as the adequacy of facilities. Specifically, the update addresses safety and security, boating and navigation, swimming, and camping.

l. *Locations of the Application*: This filing is available for review and reproduction at the Commission's Public Reference Room, located at 888 First Street, NE., Room 2A, Washington, DC 20426, or by calling (202) 502-8371. This filing may also be viewed on the Commission's Web site at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the

last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at

FERCOnlineSupport@ferc.gov or call toll-free 1-866-208-3676, or for TTY, contact (202) 502-8659. A copy is also available for inspection and reproduction at the address in item (h) above.

m. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

n. *Comments, Protests, or Motions To Intervene*: Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, 385.211, 385.214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

o. *Filing and Service of Responsive Documents*: Any filings must bear in all capital letters the title "COMMENTS", "RECOMMENDATIONS FOR TERMS AND CONDITIONS", "PROTEST", OR "MOTION TO INTERVENE", as applicable, and the Project Number of the particular application to which the filing refers. A copy of any motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

p. *Agency Comments*: Federal, State, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

q. Comments, protests, and interventions 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.gov> under the "eFiling" link.

Magalie R. Salas,
Secretary.

[FR Doc. E6-12508 Filed 8-2-06; 8:45 am]

BILLING CODE 6717-01-P

ENVIRONMENTAL PROTECTION AGENCY

[FRL-8205-5]

Agency Information Collection Activities OMB Responses

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This document announces the Office of Management and Budget's (OMB) response to Agency Clearance requests, in compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

FOR FURTHER INFORMATION CONTACT: Susan Auby (202) 566-1672, or e-mail at auby.susan@epa.gov and please refer to the appropriate EPA Information Collection Request (ICR) Number.

SUPPLEMENTARY INFORMATION:**OMB Responses to Agency Clearance Requests***OMB Approvals*

EPA ICR No. 0261.15; Notification of Regulated Waste Activity (Renewal); in 40 CFR 262.12; 40 CFR 263.11; 40 CFR 264.11; 40 CFR 265.11; 40 CFR 266.21; 40 CFR 266.22; 40 CFR 266.23; 40 CFR 266.70(b)(1); 40 CFR 266.80(b)(1)(i); 40 CFR 266.80(b)(2)(i); 40 CFR 266.100(c)(1)(i); 40 CFR 266.100(f)(1); 40 CFR 266.101(a); 40 CFR 266.101(b); 40 CFR 266.101(c); 40 CFR 266.102(a)(2)(ii); 40 CFR 266.103(a)(4)(ii); 40 CFR 266.108(d); 40 CFR 270.1(b); 40 CFR 273.54; 40 CFR 273.60(a); 40 CFR 279.42; 40 CFR 279.51; 40 CFR 279.62; 40 CFR 279.73; was approved 06/06/2006; OMB Number 2050-0028; expires 06/30/2009.

EPA ICR No. 0328.11; Spill Prevention, Control and Countermeasure (SPCC) Plans (Renewal); in 40 CFR 112.1-112.15; was approved 06/06/2006; OMB Number 2050-0021; expires 06/30/2009.

EPA ICR No. 1571.08; General Hazardous Waste Facility Standards (Renewal); in 40 CFR 264.12(a)-(c); 40 CFR 264.13(a)(1), (b)-(c); 40 CFR 264.15(d); 40 CFR 264.16(d); 40 CFR 264.17(c); 40 CFR 264.37; 40 CFR 264.51-.54; 40 CFR 264.56; 40 CFR 264.73-.74; 40 CFR 264.96; 40 CFR 264.97(g); 40 CFR 264.101(b), (c); 40 CFR 264.112; 40 CFR 264.113(a), (b), (d); 40 CFR 264.115; 40 CFR 264.116; 40

CFR 264.118–120; 40 CFR 264.142(a), 40 CFR 264.143(a); 40 CFR 264.144(a); 40 CFR 264.145(a); 40 CFR 264.147; 40 CFR 264.148; 40 CFR 264.149; 40 CFR 264.150; 40 CFR 265.12(a)–(b); 40 CFR 265.13(a)(1), (b)–(c); 40 CFR 265.15(d); 40 CFR 265.16(d); 40 CFR 265.19; 40 CFR 265.51–54; 40 CFR 265.56; 40 CFR 265.73–74; 40 CFR 265.112; 40 CFR 265.113(a), (b), (d); 40 CFR 265.115; 40 CFR 265.116; 40 CFR 265.118–120; 40 CFR 264.142(a); 40 CFR 265.143(a); 40 CFR 265.144(a); 40 CFR 265.145(a); 40 CFR 265.147; 40 CFR 265.148; 40 CFR 265.149; 40 CFR 265.150; 40 CFR part 264, subpart H; 40 CFR part 265, subpart H; 40 CFR 270.30; was approved 06/06/2006; OMB Number 2050–0120; expires 06/30/2009.

EPA ICR No. 1951.03; NESHAP for Paper and Other Web Coating Renewal; in 40 CFR part 63, subpart JJJJ; was approved 06/13/2006; OMB Number 2060–0511; expires 06/30/2009.

EPA ICR No. 1954.03; NESHAP for the Surface Coating of Large Household and Commercial Appliances; in 40 CFR part 63, subpart NNNN, (Renewal); was approved 06/13/2006; OMB Number 2060–0457; expires 06/30/2009.

EPA ICR No. 1976.03; NESHAP for Reinforced Plastic Composites Production (Renewal); in 40 CFR part 63, subpart WWW; was approved 06/12/2006; OMB Number 2060–0509; expires 06/30/2009.

EPA ICR No. 2022.03; NESHAP for Brick and Structural Clay Manufacturing (Renewal); in 40 CFR part 63, subpart JJJJJ; was approved 06/13/2006; OMB Number 2060–0508; expires 06/30/2009.

EPA ICR No. 2040.03; NESHAP for Refractory Products Manufacturing (Renewal); in 40 CFR part 63, subpart SSSSS; was approved 06/12/2006; OMB Number 2060–0515; expires 06/30/2009.

EPA ICR No. 2071.03; NESHAP for Printing, Coating and Dyeing of Fabrics and Other Textiles (Renewal); in 40 CFR part 63, subpart OOOO; was approved 06/12/2006; OMB Number 2060–0522; expires 06/30/2009.

EPA ICR No. 2211.01; Focus Group Research for Fuel Economy Label Designs; was approved 06/09/2006; OMB Number 2060–0581; expires 08/31/2006.

EPA ICR No. 2228.01; Reformulated Gasoline Commingling Provisions; in 40 CFR part 80.78; was approved 06/09/2006; OMB Number 2060–0587; expires 11/30/2006.

EPA ICR No. 1591.21; Regulation of Fuel and Fuel Additives: Refiner and Importer Quality Assurance Requirements for Downstream Oxygen Blending and Requirements for Disposition of Pipeline Interfaces (Direct

Final Rule); in 40 CFR 80.69; 40 CFR 80.74; 40 CFR 80.77; 40 CFR 80.84; 40 CFR 80.104; 40 CFR 80.213; 40 CFR 80.365; 40 CFR 80.840; was approved 07/12/2006; OMB Number 2060–0277; expires 10/31/2007.

EPA ICR No. 2104.02; Brownfields Programs—Revitalization Grantee Reporting (Renewal); was approved 07/05/2006; OMB Number 2050–0192; expires 07/31/2009.

EPA ICR No. 0575.10; Health and Safety Data Reporting; Submission of Lists and Copies of Health and Safety Studies; in 40 CFR part 716; was approved 07/06/2006; OMB Number 2070–0004; expires 07/31/2009.

EPA ICR No. 2055.02; Data Submissions for the Voluntary Children's Chemical Evaluation Program (VCCEP); was approved 07/09/2006; OMB Number 2070–0165; expires 07/31/2009.

EPA ICR No. 2014.03; Reporting and Recordkeeping Requirements of the HCFC Allowance System (Renewal); in 40 CFR part 82.23, 40 CFR part 82.24; was approved 07/10/2006; OMB Number 2060–0498; expires 07/31/2009.

EPA ICR No. 2184.02; Inclusion of Delaware and New Jersey in the Clean Air Interstate Rule (Final Rule); in 40 CFR 51.123(c)(1), (c)(3), (e)(2), (e)(4)(ii); 40 CFR 51.124(c), (e)(2); 40 CFR 51.125(a)(1); 40 CFR 96.140; 40 CFR 96.143(a); was approved 07/10/2006; OMB Number 2060–0584; expires 07/31/2009.

Comment Filed

EPA ICR No. 0328.12; Spill Prevention, Control and Countermeasure (SPCC) Plants (Proposed Rule); OMB Number 2050–0021; in 40 CFR 112.3(e); 40 CFR 112.4(a), (e)–(f); 40 CFR 112.5(a); 40 CFR 112.7(a)–(i); OMB filed comments on 06/12/2006.

EPA ICR No. 0783.50; Cold Temperature Hydrocarbon Emissions Standards for Light-Duty Vehicles, Light-Duty Trucks, and Medium-Duty Passenger Vehicles (Proposed Rule); in 40 CFR part 85, subparts R, S, T, V, W, and Y; 40 CFR part 86, subparts B, E, F, G, H, J, K, L, O, P, R, and S; 40 CFR part 600, subparts A, B, D, and F; OMB filed comments on 06/23/2006.

EPA ICR No. 1989.03; Revised NPDES and Effluent Limitation Guidelines for Concentrated Animal Feeding Operations in Response to Waterkeeper Decision (Proposed Rule); in 40 CFR 122, 40 CFR 122.21(i)(1)(i–xi), 40 CFR 122.21(f), 40 CFR 122.21(f)(1), 40 CFR 122.21(f)(7), 40 CFR 122.23(f)(1–3), 40 CFR 122.23(g–h), 40 CFR 122.28(b)(3)(iv), 40 CFR 122.41, 40 CFR 122.42(e)(1), 40 CFR 122.42(e)(1)(i–iv), 40 CFR 122.42(e)(4), 40 CFR

122.42(e)(3), 40 CFR 122.62, 40 CFR 122.62(b)(2–4), 40 CFR 123, 40 CFR 123.25, 40 CFR 123.40, 40 CFR 123.25(a)(22, 27, 30, 31, 33, 34), 40 CFR 123.26(b), 40 CFR 123.42(e)(3–4), 40 CFR 123.42(e)(4)(i–vi), 40 CFR 123.62, 40 CFR 123.62(a), 40 CFR 123.62(b)(1), 40 CFR 412, 40 CFR 412(a)(1)(i–iii), 40 CFR 412.37(b), 40 CFR 412.37(b)(1–6), 40 CFR 412.37(c), 40 CFR 412.37(c)(1–9); OMB filed comments on 07/11/2006.

Short Term Extensions

EPA ICR No. 2212.01; MBE/WBE Utilization under Federal Grants, Cooperative, Agreements and Interagency Agreements; OMB Number 2090–0025; on 06/29/2006 OMB extended the expiration date to 08/31/2006.

EPA ICR No. 1842.04; Notice of Intent for Storm Water Discharges Associated with Construction Activity under a NPDES General Permit; OMB Number 2040–0188; on 06/29/2006 OMB extended the expiration date to 09/30/2006.

EPA ICR No. 0226.17; applications for NPDES Discharge Permits and the Sewage Sludge Management Permits; OMB Number 2040–0086; on 06/29/2006 OMB extended the expiration date to 09/30/2006.

EPA ICR No. 1820.03; NPDES Storm Water Program Phase II; OMB Number 2040–0211; on 06/29/2006 OMB extended the expiration date to 09/30/2006.

EPA ICR No. 2003.02; NESHAP for Integrated Iron and Steel Manufacturing (Final Rule); OMB Number 2060–0517; on 06/29/2006 OMB extended the expiration date to 08/30/2006.

Dated: July 27, 2006.

Oscar Morales,

Director, Collection Strategies Division.

[FR Doc. E6–12540 Filed 8–2–06; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[AMS–FRL–8205–4]

California State Motor Vehicle Pollution Control Standards; Waiver of Federal Preemption for Amendments to California's Exhaust Emission Standards and Test Procedures for On-Road Motorcycles and Motorcycle Engines; Notice of Decision

AGENCY: Environmental Protection Agency.

ACTION: Notice of Decision Regarding Waiver of Federal Preemption for California Motorcycle Emission Standards.

SUMMARY: The California Air Resources Board (CARB) requested that the Environmental Protection Agency (EPA) confirm CARB's finding that amendments to its on-road motorcycle and motorcycle engines exhaust emission regulations, approved by CARB on October 22, 1999, are within the scope of previous Clean Air Act Section 209(b) waivers of federal preemption. Instead of confirming CARB's request that the amendments are within the scope of a previously granted waiver of federal preemption EPA is, by today's action, granting a full waiver of federal preemption.

ADDRESSES: The Agency's Decision Document, containing an explanation of the Assistant Administrator's decision, as well as all documents relied upon in making that decision, including those submitted to EPA by CARB, are contained in the public docket. The official public docket is the collection of materials that is available for public viewing. The EPA Docket Center Public Reading Room is open from 8:30 to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket is (202) 566-1743. The reference number for this docket is EPA-HQ-OAR-2004-0486. The location of the Docket Center is the Environmental Protection Agency, (EPA/DC) EPA West, Room B102, 1301 Constitution Ave., NW., Washington, D.C. Copies of the Decision Document for this determination can also be obtained by contacting David Dickinson as noted below, or can be accessed on the EPA's Office of Transportation and Air Quality Web site, also noted below.

FOR FURTHER INFORMATION CONTACT: David Dickinson, Attorney-Advisor, Certification and Compliance Division, (6405J), U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW., Washington, DC 20460. Telephone: (202) 343-9256, FAX: (202) 343-2804, e-mail: Dickinson.David@EPA.GOV.

SUPPLEMENTARY INFORMATION:

I. Obtaining Electronic Copies of Documents

Electronic copies of this Notice and the accompanying Decision Document are available via the Internet on the Office of Transportation and Air Quality (OTAQ) Web site (<http://www.epa.gov/OTAQ>). Users can find these documents by accessing the OTAQ Home Page and looking at the path entitled "Chronological List of All OTAQ Regulations." This service is free of charge, except for any cost you already

incur for Internet connectivity. The official **Federal Register** version of the Notice is made available on the day of publication on the primary Web site (<http://www.epa.gov/docs/fedrgstr/EPA-AIR/>).

Please note that due to differences between the software used to develop the documents and the software into which the documents may be downloaded, changes in format, page length, etc. may occur.

Docket: EPA has established a docket for this action under Docket ID No. EPA-HQ-OAR-2004-0486. All documents in the docket are listed in the <http://www.regulations.gov> index. Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy at the Docket Center noted above.

II. Determination

I have determined that CARB's amendments to its on-highway motorcycle and motorcycle engine regulations constitute new standards and therefore require a new waiver of federal preemption rather than confirmation that the amendments are within the scope of a prior waiver issued under section 209(b) of the Clean Air Act (Act), 42 U.S.C. 7543(b), granted by EPA to CARB.¹ The amendments to the regulations, outlined in CARB's request letter², and fully described in CARB's submissions, provide for: (1) A combined level of hydrocarbon (HC) and oxides of nitrogen (NO_x) emissions as HC + NO_x for 2004 and subsequent model years (in comparison to the preexisting on-road Class III motorcycle HC-only standard); (2) two tiers of standard (Tier-1 and -2), with a Tier-1

¹ EPA previously granted CARB a waiver of federal preemption for California's exhaust emission standards and test procedures for 1978 and subsequent model year motorcycles at 41 FR 44209 (October 7, 1976) and 43 FR 998 (January 5, 1978). EPA also confirmed that a subsequent amendment to the HC exhaust standard for certain small volume manufacturers for the 1982 model year was within the scope of a previously granted waiver at 47 FR 23204 (May 27, 1982). Finally, EPA also confirmed that CARB's HC exhaust standards for 1984 and subsequent model year Class III motorcycles (280 cc and above) was within the scope of a previously granted waiver at 53 FR 6195 (March 1, 1988). EPA also previously waived federal preemption for California's evaporative emission standards and test procedures for motorcycles and confirmed subsequent amendments as within the scope of previously granted waivers at 47 FR 1015 (January 8, 1982); 47 FR 23204 (May 27, 1982); 53 FR 6195 (March 1, 1988); and 53 FR 36116 (September 16, 1988).

² Docket entry EPA-HQ-OAR 2004-0486-0002, letter to EPA, from CARB, dated June 18, 2003.

standard of 1.4 g/km for HC + NO_x for model years 2004 through 2007 and a Tier-2 standard of 0.08 for HC + NO_x for model year 2008 and beyond; (3) retention of corporate averaging for Class III engine families but an addition of a not-to-exceed cap limit for each emission level from each engine family; and (4) a new definition of "small volume manufacturer" that applies in model year 2008 and beyond and clarification of the definition for "motorcycle engine."

In a June 18, 2003 letter to EPA, CARB notified EPA of the above-described amendments to its motorcycle regulations and asked EPA to confirm that these amendments are within the scope of EPA's previous waivers. EPA can make such a confirmation if certain conditions are present. Specifically, if California acts to amend a previously waived standard or accompanying enforcement procedure, the amendment may be considered within-the-scope of a previously granted waiver provided that it does not undermine California's determination that its standards, in the aggregate, are as protective of public health and welfare as applicable Federal standards, does not affect the consistency with section 202(a) of the Act, and raises no new issues affecting EPA's previous waiver.³

In its request letter, CARB stated that the amendments will not cause the California standards, in the aggregate, to be less protective of public health and welfare than the applicable Federal standards. Regarding consistency with section 202(a), CARB stated that the amendments do not raise any concerns of inadequate leadtime or technological feasibility or impose any inconsistent certification requirements (compared to the Federal requirements). Finally, CARB stated that the amendments raise no new issues affecting the prior EPA authorization determinations.

Because EPA believed it possible that CARB's amendments do in fact raise "new issues" as they impose new more stringent standards, EPA offered the opportunity for a public hearing, and requested public comments, on these new standards, as the Act requires us to do, by publication of a **Federal Register** notice to such effect on November 21, 2005.⁴ There was no request for a public hearing, nor were any comments received on the CARB standards at issue. Therefore, EPA has made this

³ Decision Document accompanying scope of waiver determination in 51 FR 12391 (April 10, 1986).

⁴ 70 FR 70073 (November 21, 2005).

determination based on the information submitted by CARB in its request.

EPA's analysis finds that the criteria for granting a full waiver have been met for these amendments. A full explanation of EPA's decision is contained in a Decision Document which may be obtained from EPA as noted above.

My decision will affect not only persons in California but also the manufacturers outside the State who must comply with California's requirements in order to produce vehicles for sale in California. For this reason, I hereby determine and find that this is a final action of national applicability.

Under section 307(b)(1) of the Act, judicial review of this final action may be sought only in the United States Court of Appeals for the District of Columbia Circuit. Petitions for review must be filed by October 2, 2006. Under section 307(b)(2) of the Act, judicial review of this final action may not be obtained in subsequent enforcement proceedings.

As with past waiver decisions, this action is not a rule as defined by Executive Order 12866. Therefore, it is exempt from review by the Office of Management and Budget as required for rules and regulations by Executive Order 12866.

In addition, this action is not a rule as defined in the Regulatory Flexibility Act, 5 U.S.C. 601(2). Therefore, EPA has not prepared a supporting regulatory flexibility analysis addressing the impact of this action on small business entities.

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, does not apply because this action is not a rule, for purposes of 5 U.S.C. 804(3).

Finally, the Administrator has delegated the authority to make determinations regarding waivers under section 209(b) of the Act to the Assistant Administrator for Air and Radiation.

Dated: July 27, 2006.

William L. Wehrum,

Acting Assistant Administrator, Office of Air and Radiation.

[FR Doc. E6-12546 Filed 8-2-06; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

[Report No. 2783]

Petitions for Reconsideration of Action in Rulemaking Proceeding

July 27, 2006.

Petitions for Reconsideration have been filed in the Commission's Rulemaking proceeding listed in this Public Notice and published pursuant to 47 CFR 1.429(e). The full text of these documents is available for viewing and copying in Room CY-B402, 445 12th Street, SW., Washington, DC or may be purchased from the Commission's copy contractor, Best Copy and Printing, Inc. (BCPI) (1-800-378-3160). Oppositions to these petitions must be filed by August 18, 2006. 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 have expired.

Subject: In the Matter of Amendment of Parts 1, 21, 73, 74 and 101 of the Commission's Rules to Facilitate the Provision of Fixed and Mobile Broadband Access, Educational And Other Advanced Services in the 2150-2162 and 2500-2690 MHz Bands (WT Docket No. 03-66).

Part 1 of the Commission's Rules—Further Competitive Bidding Procedures (WT Docket No. 03-67).

Amendment of Parts 21 and 74 to Enable Multipoint Distribution Service and the Instructional Television Fixed Service to Engage in Fixed Two-Way Transmissions (MM Docket No. 97-217).

Amendment of Parts 21 and 74 of the Commission's Rules with Regard to Licensing in the Multipoint Distribution Service and in the Instructional Television Fixed Service for the Gulf of Mexico (WT Docket No. 02-68).

Promoting Efficient Use of Spectrum through Elimination of Barriers to the Development of Secondary Markets (WT Docket No. 00-230).

Review of the Spectrum Sharing Plan among Non-Geostationary Satellite Orbit Mobile Satellite Service Systems in the 1.6/2.4 GHz Bands (IB Docket No. 02-364).

Number of Petitions Filed: 10.

Marlene H. Dortch,

Secretary.

[FR Doc. E6-12545 Filed 8-2-06; 8:45 am]

BILLING CODE 6712-01-P

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisition of Shares of Bank or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the office of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than August 18, 2006.

A. Federal Reserve Bank of Minneapolis (Jacqueline G. King, Community Affairs Officer) 90 Hennepin Avenue, Minneapolis, Minnesota 55480-0291:

1. *Jon W. Neumann*, Hawley, Minnesota; to acquire voting shares of First Hawley Bancshares, Inc., Hawley, Minnesota, and thereby indirectly acquire voting shares of First National Bank, Hawley, Minnesota.

Board of Governors of the Federal Reserve System, July 28, 2006.

Robert deV. Frierson,

Deputy Secretary of the Board.

[FR Doc. E6-12487 Filed 8-2-06; 8:45 am]

BILLING CODE 6210-01-S

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 August 28, 2006.

A. Federal Reserve Bank of Philadelphia (Michael E. Collins, Senior Vice President) 100 North 6th Street, Philadelphia, Pennsylvania 19105-1521:

1. *Graystone Financial Services Corp.*, Lancaster, Pennsylvania; to become a bank holding company by acquiring 100 percent of the voting shares of Graystone Bank, Lancaster, Pennsylvania.

B. Federal Reserve Bank of Chicago (Patrick M. Wilder, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690-1414:

1. *Capitol Bancorp Ltd.*, and *Capitol Development Bancorp Limited V*, both of Lansing, Michigan; to acquire 51 percent of the voting shares of Bank of Maumee, Maumee, Ohio (in organization).

Board of Governors of the Federal Reserve System, July 28, 2006.

Robert deV. Frierson,

Deputy Secretary of the Board.

[FR Doc. E6-12486 Filed 8-2-06; 8:45 am]

BILLING CODE 6210-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

[Document Identifier: OS-0937-0166; 30-day notice]

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Office of the Secretary, HHS.

In compliance with the requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Office of the Secretary (OS), Department

of Health and Human Services, is publishing the following summary of a proposed collection for public comment. Interested persons are invited to send comments regarding this burden estimate or any other aspect of this collection of information, including any of the following subjects: (1) The necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Type of Information Collection Request: Regular Clearance, Extension of a currently approved collection.

Title of Information Collection: 42 CFR Subpart B: Sterilization of Persons in Federally Assisted Family Planning Projects.

Form/OMB No.: OS-0937-0166.

Use: This is a request for an extension, of a currently approved collection for the disclosure and record-keeping requirements codified at 42 CFR part 50, subpart B ("Sterilization of Persons in Federally Assisted Family Planning Projects"). A copy of the Public Health Service (PHS) regulation, 42 CFR part 50, subpart B, is provided in Attachment B. Consent forms are signed by individuals undergoing a federally funded sterilization procedure and certified by necessary medical authorities. Forms are incorporated into the patient's medical records and the agency's records. Through periodic site audits and visits, PHS staff review completed consent forms to determine compliance with the regulation. Thus, the purpose of the consent form is twofold. First, it serves as a mechanism to ensure that a person receives information about sterilization and voluntarily consents to the procedure. Second, it facilitates compliance monitoring.

Frequency: Recordkeeping; Reporting, on occasion.

Affected Public: Individuals or Households, Not-for-profit institutions, and State, Local or Tribal Government.

Annual Number of Respondents: 100000.

Total Annual Responses: 10000.

Average Burden Hours Per Response: 1 hour and 15 minutes.

Total Annual Hours: 125,000.

To obtain copies of the supporting statement and any related forms for the proposed paperwork collections referenced above, access the HHS Web site address at <http://www.hhs.gov/ocio/>

infocollect/pending/ or e-mail your request, including your address, phone number, OMB number, and OS document identifier, to Sherrette.funncoleman@hhs.gov, or call the Reports Clearance Office on (202) 690-6162. Written comments and recommendations for the proposed information collections must be received within 30 days of this notice directly to the Desk Officer at the address below: OMB Desk Officer: John Kraemer, OMB Human Resources and Housing Branch, Attention: (OMB #0937-0166), New Executive Office Building, Room 10235, Washington DC 20503.

Dated: July 25, 2006.

Robert E. Polson,

Office of the Secretary, Paperwork Reduction Act Reports Clearance Officer.

[FR Doc. E6-12561 Filed 8-2-06; 8:45 am]

BILLING CODE 4150-28-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the National Coordinator for Health Information Technology; American Health Information Community Consumer Empowerment Workgroup Meeting

ACTION: Announcement of meeting.

SUMMARY: This notice announces the eighth meeting of the American Health Information Community Consumer Empowerment Workgroup in accordance with the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C., App.).

DATES: August 14, 2006 from 1 p.m. to 5 p.m.

ADDRESSES: Mary C. Switzer Building (330 C Street, SW., Washington, DC 20201), Conference Room 4090 (please bring photo ID for entry to a Federal building).

FOR FURTHER INFORMATION CONTACT: http://www.hhs.gov/heatlh/ahic/bio_main.html.

SUPPLEMENTARY INFORMATION: The meeting will be available via Web cast at <http://www.eventcenterlive.com/cfm/ec/login/login1.cfm?BID=67>.

Judith Sparrow,

Director, American Health Information Community, Office of Programs and Coordination, Office of the National Coordinator for Health Information Technology.

[FR Doc. 06-6660 Filed 8-2-06; 8:45]

BILLING CODE 4150-24-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Office of the National Coordinator for Health Information Technology; American Health Information Community Electronic Health Record Workgroup Meeting****ACTION:** Announcement of meeting.

SUMMARY: This notice announces the eighth meeting of the American Health Information Community Electronic Health Record Workgroup in accordance with the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C., App.)

DATES: August 15, 2006 from 1 p.m. to 5 p.m.

ADDRESSES: Mary C. Switzer Building (330 C Street, SW., Washington, DC 20201), Conference Room 4090 (please bring photo ID for entry to a Federal building).

FOR FURTHER INFORMATION: http://www.hhs.gov/healthit/ahic/bio_main.html.

SUPPLEMENTARY INFORMATION: The meeting will be available via Web cast at <http://www.eventcenterlive.com/cfm/ec/login/login1.cfm?BID=67>.

Dated: July 25, 2006.

Judith Sparrow,

Director, American Health Information Community, Office of Programs and Coordination, Office of the National Coordinator for Health Information Technology.

[FR Doc. 06-6662 Filed 8-2-06; 8:45 am]

BILLING CODE 4150-24-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Office of the National Coordinator for Health Information Technology; American Health Information Community Chronic Care Workgroup Meeting****ACTION:** Announcement of meeting.

SUMMARY: This notice announces the eighth meeting of the American Health Information Community Chronic Care Workgroup in accordance with the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C., App.).

DATES: August 16, 2006 from 1 p.m. to 5 p.m.

ADDRESSES: Mary C. Switzer Building (330 C Street, SW., Washington, DC 20201), Conference Room 4090 (please bring photo ID for entry to a Federal building).

FOR FURTHER INFORMATION CONTACT: http://www.hhs.gov/healthit/ahic/bio_main.html.

SUPPLEMENTARY INFORMATION: The meeting will be available via Web cast at <http://www.eventcenterlive.com/cfm/ec/login/login1.cfm?BID=67>.

Dated: July 25, 2006.

Judith Sparrow,

Director, American Health Information Community, Office of Programs and Coordination, Office of the National Coordinator for Health Information Technology.

[FR Doc. 06-6661 Filed 8-2-06; 8:45am]

BILLING CODE 4150-24-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Centers for Disease Control and Prevention (CDC)****Disease, Disability, and Injury Prevention and Control Special Emphasis Panel: Non-Pharmaceutical Interventions for Pandemic Influenza, Request for Applications (RFA) CI06-010**

Correction: This notice was published in the **Federal Register** on July 13, 2006, Volume 71, Number 134, page 39683. The date has been changed due to reviewer's conflict with the original date. The meeting will be held on August 28, 2006.

Title: Non-Pharmaceutical Interventions for Pandemic Influenza, RFA CI06-010.

Contact Person for more Information: Felix Rogers, Ph.D., Scientific Review Administrator, National Immunization Program, Centers for Disease Control and Prevention, 1600 Clifton Road NE., MS E-05, Atlanta, GA 30333, Telephone 404.639.6101.

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 CDC and the Agency for Toxic Substances and Disease Registry.

Dated: July 27, 2006.

Alvin Hall,

Director, Management Analysis and Services Office Centers for Disease Control and Prevention.

[FR Doc. E6-12542 Filed 8-2-06; 8:45 am]

BILLING CODE 4163-18-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Food and Drug Administration**

[Docket No. 2006E-0189]

Determination of Regulatory Review Period for Purposes of Patent Extension; IPLEX

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) has determined the regulatory review period for IPLEX and is publishing this notice of that determination as required by law. FDA has made the determination because of the submission of an application to the Director of Patents and Trademarks, Department of Commerce, for the extension of a patent which claims that human drug product.

ADDRESSES: Submit written comments and petitions to the Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Submit electronic comments to <http://www.fda.gov/dockets/ecomments>.

FOR FURTHER INFORMATION CONTACT: Beverly Friedman, Office of Regulatory Policy (HFD-7), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-2041.

SUPPLEMENTARY INFORMATION: The Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417) and the Generic Animal Drug and Patent Term Restoration Act (Public Law 100-670) generally provide that a patent may be extended for a period of up to 5 years so long as the patented item (human drug product, animal drug product, medical device, food additive, or color additive) was subject to regulatory review by FDA before the item was marketed. Under these acts, a product's regulatory review period forms the basis for determining the amount of extension an applicant may receive.

A regulatory review period consists of two periods of time: A testing phase and an approval phase. For human drug products, the testing phase begins when the exemption to permit the clinical investigations of the human drug product becomes effective and runs until the approval phase begins. The approval phase starts with the initial submission of an application to market the human drug product and continues until FDA grants permission to market the drug product. Although only a portion of a regulatory review period

may count toward the actual amount of extension that the Director of Patents and Trademarks may award (for example, half the testing phase must be subtracted, as well as any time that may have occurred before the patent was issued), FDA's determination of the length of a regulatory review period for a human drug product will include all of the testing phase and approval phase as specified in 35 U.S.C. 156(g)(1)(B).

FDA recently approved for marketing the human drug product IPLEX (mecasermin rinfabate [rDNA origin]). IPLEX is indicated for treatment of growth failure in children with severe primary IGF-1 deficiency or with growth hormone (GH) gene depletion who have developed neutralizing antibodies to GH. Subsequent to this approval, the Patent and Trademark Office received a patent term restoration application for IPLEX (U.S. Patent No. 5,681,818) from Inmed Inc., and the Patent and Trademark Office requested FDA's assistance in determining this patent's eligibility for patent term restoration. In a letter dated May 19, 2006, FDA advised the Patent and Trademark Office that this human drug product had undergone a regulatory review period and that the approval of IPLEX represented the first permitted commercial marketing or use of the product. Thereafter, the Patent and Trademark Office requested that FDA determine the product's regulatory review period.

FDA has determined that the applicable regulatory review period for IPLEX is 3,527 days. Of this time, 3,183 days occurred during the testing phase of the regulatory review period, while 344 days occurred during the approval phase. These periods of time were derived from the following dates:

1. *The date an exemption under section 505(i) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 355(i)) became effective:* April 18, 1996. The applicant claims April 24, 1996, as the date the investigational new drug application (IND) became effective. However, FDA records indicate that the IND effective date was April 18, 1996, which was 30 days after FDA receipt of the IND.

2. *The date the application was initially submitted with respect to the human drug product under section 505(b) of the act:* January 3, 2005. FDA has verified the applicant's claim that the new drug application (NDA) for IPLEX (NDA 21-884) was initially submitted on January 3, 2005.

3. *The date the application was approved:* December 12, 2005. FDA has verified the applicant's claim that NDA

21-884 was approved on December 12, 2005.

This determination of the regulatory review period establishes the maximum potential length of a patent extension. However, the U.S. Patent and Trademark Office applies several statutory limitations in its calculations of the actual period for patent extension. In its application for patent extension, this applicant seeks 1,657 days of patent term extension.

Anyone with knowledge that any of the dates as published are incorrect may submit to the Division of Dockets Management (see **ADDRESSES**) written or electronic comments and ask for a redetermination by October 2, 2006. Furthermore, any interested person may petition FDA for a determination regarding whether the applicant for extension acted with due diligence during the regulatory review period by January 30, 2007. To meet its burden, the petition must contain sufficient facts to merit an FDA investigation. (See H. Rept. 857, part 1, 98th Cong., 2d sess., pp. 41-42, 1984.) Petitions should be in the format specified in 21 CFR 10.30.

Comments and petitions should be submitted to the Division of Dockets Management. Three copies of any mailed information are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Comments and petitions may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

Dated: July 21, 2006.

Jane A. Axelrad,

Associate Director for Policy, Center for Drug Evaluation and Research.

[FR Doc. E6-12571 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 1999E-5113]

Determination of Regulatory Review Period for Purposes of Patent Extension; CLINACOX

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) has determined the regulatory review period for CLINACOX and is publishing this notice of that determination as required by law. FDA has made the

determination because of the submission of an application to the Director of Patents and Trademarks, Department of Commerce, for the extension of a patent which claims that animal drug product.

ADDRESSES: Submit written comments and petitions to the Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852. Submit electronic comments to <http://www.fda.gov/dockets/ecomments>.

FOR FURTHER INFORMATION CONTACT: Beverly Friedman, Office of Regulatory Policy (HFD-7), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-2041.

SUPPLEMENTARY INFORMATION: The Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417) and the Generic Animal Drug and Patent Term Restoration Act (Public Law 100-670) generally provide that a patent may be extended for a period of up to 5 years so long as the patented item (human drug product, animal drug product, medical device, food additive, or color additive) was subject to regulatory review by FDA before the item was marketed. Under these acts, a product's regulatory review period forms the basis for determining the amount of extension an applicant may receive.

A regulatory review period consists of two periods of time: A testing phase and an approval phase. For animal drug products, the testing phase begins on the earlier date when either a major environmental effects test was initiated for the drug or when an exemption under section 512(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b(j)) became effective and runs until the approval phase begins. The approval phase starts with the initial submission of an application to market the animal drug product and continues until FDA grants permission to market the drug product. Although only a portion of a regulatory review period may count toward the actual amount of extension that the Director of Patents and Trademarks may award (for example, half the testing phase must be subtracted as well as any time that may have occurred before the patent was issued), FDA's determination of the length of a regulatory review period for an animal drug product will include all of the testing phase and approval phase as specified in 35 U.S.C. 156(g)(4)(B).

FDA approved for marketing the animal drug product CLINACOX (diclazuril). CLINACOX is indicated for use in broiler chickens, for the prevention of coccidiosis caused by

Eimeria tenella, *E. necatrix*, *E. acervulina*, *E. brunette*, *E. mitis* (*mivati*), and *E. maxima*. Subsequent to this approval, the Patent and Trademark Office received a patent term restoration application for CLINACOX (U.S. Patent No. 4,631,278) from Janssen Pharmaceutica N.V., and the Patent and Trademark Office requested FDA's assistance in determining this patent's eligibility for patent term restoration. In a letter dated October 4, 2000, FDA advised the Patent and Trademark Office that this animal drug product had undergone a regulatory review period and that the approval of CLINACOX represented the first permitted commercial marketing or use of the product. Thereafter, the Patent and Trademark Office requested that FDA determine the product's regulatory review period.

FDA has determined that the applicable regulatory review period for CLINACOX is 5,111 days. Of this time, 1,749 days occurred during the testing phase of the regulatory review period, 3,362 days occurred during the approval phase. These periods of time were derived from the following dates:

1. *The date an exemption under section 512(j) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 360b(j)), involving this animal drug product, became effective:* April 25, 1985. FDA has verified the applicant's claim that the date the investigational new animal drug application became effective was on April 25, 1985.

2. *The date the application was initially submitted with respect to the animal drug product under section 512(b) of the act:* February 6, 1990. The applicant claims January 31, 1990, as the date the new animal drug application (NADA) for CLINACOX (NADA 140-951) was initially submitted. However, FDA records indicate that NADA 140-951 was officially acknowledged and assigned the NADA number on February 6, 1990, which is considered to be the NADA initially submitted date.

3. *The date the application was approved:* April 21, 1999. FDA has verified the applicant's claim that NADA 140-951 was approved on April 21, 1999.

This determination of the regulatory review period establishes the maximum potential length of a patent extension. However, the U.S. Patent and Trademark Office applies several statutory limitations in its calculations of the actual period for patent extension. In its application for patent extension, this applicant seeks 1,096 days of patent term extension.

Anyone with knowledge that any of the dates as published are incorrect may submit to the Division of Dockets Management (see **ADDRESSES**) written or electronic comments and ask for a redetermination by October 2, 2006. Furthermore, any interested person may petition FDA for a determination regarding whether the applicant for extension acted with due diligence during the regulatory review period by January 30, 2007. To meet its burden, the petition must contain sufficient facts to merit an FDA investigation. (See H. Rept. 857, part 1, 98th Cong., 2d sess., pp. 41-42, 1984.) Petitions should be in the format specified in 21 CFR 10.30.

Comments and petitions should be submitted to the Division of Dockets Management. Three copies of any mailed information are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Comments and petitions may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

Dated: July 20, 2006.

Jane A. Axelrad,

Associate Director for Policy, Center for Drug Evaluation and Research.

[FR Doc. E6-12572 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-01-5

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 2003E-0418]

Determination of Regulatory Review Period for Purposes of Patent Extension; EMEND

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) has determined the regulatory review period for EMEND and is publishing this notice of that determination as required by law. FDA has made the determination because of the submission of an application to the Director of Patents and Trademarks, Department of Commerce, for the extension of a patent which claims that human drug product.

ADDRESSES: Submit written comments and petitions to the Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Submit electronic comments to <http://www.fda.gov/dockets/ecomments>.

FOR FURTHER INFORMATION CONTACT: Beverly Friedman, Office of Regulatory Policy (HFD-7), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-2041.

SUPPLEMENTARY INFORMATION: The Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417) and the Generic Animal Drug and Patent Term Restoration Act (Public Law 100-670) generally provide that a patent may be extended for a period of up to 5 years so long as the patented item (human drug product, animal drug product, medical device, food additive, or color additive) was subject to regulatory review by FDA before the item was marketed. Under these acts, a product's regulatory review period forms the basis for determining the amount of extension an applicant may receive.

A regulatory review period consists of two periods of time: A testing phase and an approval phase. For human drug products, the testing phase begins when the exemption to permit the clinical investigations of the human drug product becomes effective and runs until the approval phase begins. The approval phase starts with the initial submission of an application to market the human drug product and continues until FDA grants permission to market the drug product. Although only a portion of a regulatory review period may count toward the actual amount of extension that the Director of Patents and Trademarks may award (for example, half the testing phase must be subtracted, as well as any time that may have occurred before the patent was issued), FDA's determination of the length of a regulatory review period for a human drug product will include all of the testing phase and approval phase as specified in 35 U.S.C. 156(g)(1)(B).

FDA recently approved for marketing the human drug product EMEND (aprepitant). EMEND, in combination with other antiemetic agents, is indicated for the prevention of acute and delayed nausea and vomiting associated with initial and repeat courses of highly emetogenic cancer chemotherapy, including high-dose cisplatin. Subsequent to this approval, the Patent and Trademark Office received a patent term restoration application for EMEND (U.S. Patent No. 5,719,147) from Merck & Co., and the Patent and Trademark Office requested FDA's assistance in determining this patent's eligibility for patent term restoration. In a letter dated November 18, 2003, FDA advised the Patent and Trademark Office that this human drug product had undergone a regulatory

review period and that the approval of EMEND represented the first permitted commercial marketing or use of the product. Thereafter, the Patent and Trademark Office requested that FDA determine the product's regulatory review period.

FDA has determined that the applicable regulatory review period for EMEND is 2,513 days. Of this time, 2,332 days occurred during the testing phase of the regulatory review period, while 181 days occurred during the approval phase. These periods of time were derived from the following dates:

1. *The date an exemption under section 505(i) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 355(i)) became effective:* May 10, 1996. The applicant claims May 9, 1996, as the date the investigational new drug application (IND) became effective. However, FDA records indicate that the IND effective date was May 10, 1996, which was 30 days after FDA receipt of the IND.

2. *The date the application was initially submitted with respect to the human drug product under section 505(b) of the act:* September 27, 2002. FDA has verified the applicant's claim that the new drug application (NDA) for EMEND (NDA 21-549) was initially submitted on September 27, 2002.

3. *The date the application was approved:* March 26, 2003. FDA has verified the applicant's claim that NDA 21-549 was approved on March 26, 2003.

This determination of the regulatory review period establishes the maximum potential length of a patent extension. However, the U.S. Patent and Trademark Office applies several statutory limitations in its calculations of the actual period for patent extension. In its application for patent extension, this applicant seeks 1,022 days of patent term extension.

Anyone with knowledge that any of the dates as published are incorrect may submit to the Division of Dockets Management (see **ADDRESSES**) written or electronic comments and ask for a redetermination by October 2, 2006. Furthermore, any interested person may petition FDA for a determination regarding whether the applicant for extension acted with due diligence during the regulatory review period by January 30, 2007. To meet its burden, the petition must contain sufficient facts to merit an FDA investigation. (See H. Rept. 857, part 1, 98th Cong., 2d sess., pp. 41-42, 1984.) Petitions should be in the format specified in 21 CFR 10.30.

Comments and petitions should be submitted to the Division of Dockets Management. Three copies of any

mailed information are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Comments and petitions may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

Dated: July 20, 2006.

Jane A. Axelrad,

Associate Director for Policy, Center for Drug Evaluation and Research.

[FR Doc. E6-12573 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 2006E-0004]

Determination of Regulatory Review Period for Purposes of Patent Extension; CYMBALTA

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) has determined the regulatory review period for CYMBALTA and is publishing this notice of that determination as required by law. FDA has made the determination because of the submission of an application to the Director of Patents and Trademarks, Department of Commerce, for the extension of a patent which claims that human drug product.

ADDRESSES: Submit written comments and petitions to the Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Submit electronic comments to <http://www.fda.gov/dockets/ecomments>.

FOR FURTHER INFORMATION CONTACT: Beverly Friedman, Office of Regulatory Policy (HFD-7), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-2041.

SUPPLEMENTARY INFORMATION: The Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417) and the Generic Animal Drug and Patent Term Restoration Act (Public Law 100-670) generally provide that a patent may be extended for a period of up to 5 years so long as the patented item (human drug product, animal drug product, medical device, food additive, or color additive) was subject to regulatory review by FDA before the item was marketed. Under these acts, a

product's regulatory review period forms the basis for determining the amount of extension an applicant may receive.

A regulatory review period consists of two periods of time: A testing phase and an approval phase. For human drug products, the testing phase begins when the exemption to permit the clinical investigations of the human drug product becomes effective and runs until the approval phase begins. The approval phase starts with the initial submission of an application to market the human drug product and continues until FDA grants permission to market the drug product. Although only a portion of a regulatory review period may count toward the actual amount of extension that the Director of Patents and Trademarks may award (for example, half the testing phase must be subtracted, as well as any time that may have occurred before the patent was issued), FDA's determination of the length of a regulatory review period for a human drug product will include all of the testing phase and approval phase as specified in 35 U.S.C. 156(g)(1)(B).

FDA recently approved for marketing the human drug product CYMBALTA (duloxetine hydrochloride). CYMBALTA is indicated for the treatment of major depressive disorder. Subsequent to this approval, the Patent and Trademark Office received a patent term restoration application for CYMBALTA (U.S. Patent No. 5,023,269) from Eli Lilly and Company, and the Patent and Trademark Office requested FDA's assistance in determining this patent's eligibility for patent term restoration. In a letter dated February 24, 2006, FDA advised the Patent and Trademark Office that this human drug product had undergone a regulatory review period and that the approval of CYMBALTA represented the first permitted commercial marketing or use of the product. Thereafter, the Patent and Trademark Office requested that FDA determine the product's regulatory review period.

FDA has determined that the applicable regulatory review period for CYMBALTA is 4,781 days. Of this time, 3,786 days occurred during the testing phase of the regulatory review period, while 995 days occurred during the approval phase. These periods of time were derived from the following dates:

1. *The date an exemption under section 505(i) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 355(i)) became effective:* July 4, 1991. FDA has verified the applicant's claim that the date the investigational new drug application became effective was on July 4, 1991.

2. *The date the application was initially submitted with respect to the human drug product under section 505(b) of the act:* November 13, 2001. FDA has verified the applicant's claim that the new drug application (NDA) for CYMBALTA (NDA 21-427) was initially submitted on November 13, 2001.

3. *The date the application was approved:* August 3, 2004. FDA has verified the applicant's claim that NDA 21-427 was approved on August 3, 2004.

This determination of the regulatory review period establishes the maximum potential length of a patent extension. However, the U.S. Patent and Trademark Office applies several statutory limitations in its calculations of the actual period for patent extension. In its application for patent extension, this applicant seeks 1,826 days of patent term extension.

Anyone with knowledge that any of the dates as published are incorrect may submit to the Division of Dockets Management (see **ADDRESSES**) written or electronic comments and ask for a redetermination by October 2, 2006. Furthermore, any interested person may petition FDA for a determination regarding whether the applicant for extension acted with due diligence during the regulatory review period by January 30, 2007. To meet its burden, the petition must contain sufficient facts to merit an FDA investigation. (See H. Rept. 857, part 1, 98th Cong., 2d sess., pp. 41-42, 1984.) Petitions should be in the format specified in 21 CFR 10.30.

Comments and petitions should be submitted to the Division of Dockets Management. Three copies of any mailed information are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Comments and petitions may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

Dated: July 20, 2006.

Jane A. Axelrad,

Associate Director for Policy, Center for Drug Evaluation and Research.

[FR Doc. E6-12574 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

National Mammography Quality Assurance Advisory Committee; Notice of Meeting

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

Name of Committee: National Mammography Quality Assurance Advisory Committee.

General Function of the Committee: To provide advice and recommendations to the agency on FDA's regulatory issues.

Date and Time: The meeting will be held on September 28, 2006, from 10 a.m. to 6 p.m., and on September 29, 2006, from 8 a.m. to 1 p.m.

Location: Atrium Court Hotel, Remington 1 and 2, Three Research Ct., Rockville, MD.

Contact Person: Nancy Wynne, Center for Devices and Radiological Health (HFZ-240), Food and Drug Administration, 1350 Piccard Dr., Rockville, MD 20850, 240-276-3284, or FDA Advisory Committee Information Line, 1-800-741-8138 (301-443-0572 in the Washington, DC area), code 3014512397. Please call the Information Line for up-to-date information on this meeting.

Agenda: The committee will discuss: (1) Amendments to the current regulations, and (2) all guidance documents issued since the last meeting. The committee will also receive updates on recently approved alternative standards and the radiological health program. MQSA regulations and guidance documents are available to the public on the Internet at <http://www.fda.gov/cdrh/mammography>.

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the committee. Written submissions may be made to the contact person on or before August 29, 2006. Oral presentations from the public will be scheduled between approximately 10:30 a.m. and 11:30 a.m. on September 28, 2006, and between approximately 8:30 a.m. and 9:30 a.m. on September 29, 2006. Time allotted for each presentation may be limited. Those

desiring to make formal oral presentations should notify the contact person and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation on or before August 29, 2006.

Persons attending FDA's advisory committee meetings are advised that the agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Shirley Meeks, Conference Management Staff, at 301-827-7292, at least 7 days in advance of the meeting.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: July 27, 2006.

Jeffrey Shuren,

Assistant Commissioner for Policy.

[FR Doc. E6-12569 Filed 8-2-06; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

Transmissible Spongiform Encephalopathies Advisory Committee; Notice of Meeting

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

Name of Committee: Transmissible Spongiform Encephalopathies Advisory Committee.

General Function of the Committee: To provide advice and recommendations to the agency on FDA's regulatory issues.

Date and Time: The meeting will be held on September 18, 2006, from 8 a.m. to 4:30 p.m. and September 19, 2006, from 8 a.m. to 1 p.m.

Location: Holiday Inn Gaithersburg, Two Montgomery Village Ave., Gaithersburg, MD.

Contact Person: William Freas or Rosanna Harvey, Center for Biologics Evaluation and Research (HFM-71),

Food and Drug Administration, 1401 Rockville Pike, Rockville, MD 20852–1448, 301–827–0314, or FDA Advisory Committee Information Line, 1–800–741–8138 (301–443–0572 in the Washington, DC area), code 3014512392. Please call the Information Line for up-to-date information on this meeting.

Agenda: On September 18, 2006, the committee will hear updates on the following topics: United States and worldwide bovine spongiform encephalopathies (BSE); variant Creutzfeldt-Jakob disease (vCJD) epidemiology and transfusion-transmission; blood and plasma donor deferral for transfusion in France since 1980 guidance; FDA's current assessment and plans regarding the potential exposure to vCJD from an investigational product, FXI, that was manufactured from UK donor plasma; and a summary of World Health Organization Consultation on distribution of infectivity in tissues of animals and humans with transmissible spongiform encephalopathies. The committee will then discuss experimental clearance of transmissible spongiform encephalopathy infectivity in plasma-derived Factor VIII products. In the afternoon, the committee will discuss FDA's risk assessment for potential exposure to vCJD from human plasma-derived antihemophilic factor (FVIII) products and potential responses. On September 19, 2006, the committee will discuss possible criteria for approval of donor screening tests for vCJD.

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the committee. Written submissions may be made to the contact person on or before September 6, 2006. Oral presentations from the public will be scheduled between approximately 10:45 a.m. and 11:15 a.m. and 2:30 p.m. and 3 p.m. on September 18, 2006, and between approximately 10:15 a.m. and 11:45 a.m. on September 19, 2006. Time allotted for each presentation may be limited. Those desiring to make formal oral presentations should notify the contact person and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation on or before September 11, 2006.

Persons attending FDA's advisory committee meetings are advised that the agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact William Freas or Rosanna Harvey at least 7 days in advance of the meeting.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: July 27, 2006.

Jeffrey Shuren,

Assistant Commissioner for Policy.

[FR Doc. E6–12567 Filed 8–2–06; 8:45 am]

BILLING CODE 4160–01–S

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[CGD17–06–001]

Implementation of Sector Anchorage

AGENCY: Coast Guard, DHS.

ACTION: Notice of organizational change.

SUMMARY: The Coast Guard announces the stand-up of Sector Anchorage. The creation of Sector Anchorage is an internal reorganization that combines Marine Safety Office Anchorage with all prior subordinate units in addition to USCGC LONG ISLAND, USCGC MUSTANG, USCGC ROANOKE ISLAND, and Station Valdez into a single command. In addition, a Sector Field Office has been created to provide remote logistics support at Valdez, Alaska named Sector Field Office Valdez, which will be subordinate to Sector Anchorage. The Coast Guard has established a continuity of operations whereby all previous practices and procedures will remain in effect until superseded by an authorized Coast Guard official or document.

DATES: This notice is effective August 3, 2006.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket CGD17 and are available for inspection or copying at Commander (dr), Seventeenth Coast Guard District, 709 West 9th Street, Room 771, Juneau, Alaska, 99802 between 9 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: LCDR Carl Hinshaw, Assistant Branch Chief for Enforcement, Seventeenth District Response Division at 907–463–2284.

SUPPLEMENTARY INFORMATION:

Discussion of Notice

Sector Anchorage is located at 510 L Street, Suite 100, Anchorage, Alaska 99501–1946. A Sector Field Office (SFO) will be created to provide remote logistics support at Valdez, AK named SFO Valdez. MSO Anchorage OPFAC 17–33280 will be cancelled. A Command Center supporting Sector Anchorage will be located at Anchorage, AK.

Sector Anchorage will be composed of a Response Department, Prevention Department and a Logistics Department. The Sector Command Center, Intelligence staff and Contingency Planning and Force Readiness staff will report directly to the Sector Commander and serve the Response, Prevention, and Logistics components. The Western Alaska Marine Inspection Zone and Captain of the Port Office are located in Anchorage, Alaska. MSO Valdez will be renamed Marine Safety Unit (MSU) Valdez and retain the authorities of Captain of the Port (COTP), Officer in Charge Marine Inspection (OCMI), Federal on Scene Coordinator (FOSC), and Federal Maritime Security Coordinator (FMSC). MSU Valdez will report directly to the Sector Commander. Vessel Traffic Service (VTS) Prince William Sound, a subunit of MSU Valdez, will be renamed VTS Valdez. SFO Valdez will report directly to the Sector Logistics Department. All existing missions and functions performed by MSO Anchorage will be realigned under this new organizational structure. The new Sector's area of responsibility for search and rescue (SAR) will be maintained in accordance with the District SAR plan.

We projected that by 2007, all existing administrative and operational missions and functions performed by Marine Safety Office Anchorage and prior subordinate units will be performed by Sector Anchorage. Administrative missions and functions performed by USCGC LONG ISLAND, USCGC MUSTANG, USCGC ROANOKE ISLAND, and Station Valdez will be performed by Sector Anchorage. All operational missions and functions performed by USCGC LONG ISLAND, USCGC MUSTANG, USCGC ROANOKE ISLAND, and Station Valdez will be assumed by Sector Anchorage upon stand up of a single Command Center at Sector Anchorage.

Sector Anchorage is responsible for all Coast Guard missions in the following zone: The Western Alaska Marine Inspection Zone and COTP Zone comprise that portion of the State of Alaska and the adjacent waters to the outermost extent of the EEZ, except for

those sections of Alaska described in 33 CFR 3.85–10(b) and 3.85–20(b).

In the Prince William Sound Marine Inspection Zone and COTP zone (sub-zone), Marine Safety Unit (MSU) Valdez is responsible for the Coast Guard missions of Officer in Charge of Marine Inspection (OCMI), Federal Maritime Security Coordinator (FMSC), Federal On Scene Coordinator (FOSC), and COTP duties in the Prince William Sound Marine Inspection 'sub-zone' and COTP 'sub-zone' described as follows: The Prince William Sound Marine Inspection sub-zone and Captain of the Port sub-zone comprise the area within the boundary, which starts at Cape Puget at 148°26' W. longitude, 59°56.06' N. latitude, and proceeds northerly to 61°30' N. latitude; thence easterly to the United States-Canadian boundary; thence southerly along the United States-Canadian boundary to 60°18.7' N. latitude; thence southwesterly to the sea at 60°01.3' N. latitude, 142°00' W. longitude; thence southerly along 142°00' W. longitude to the outermost boundary of the EEZ; thence along the outermost boundary of the EEZ to 148°26' N. longitude; thence northerly along 148°26' W. longitude to the place of origin at Cape Puget at 59°56.06' N. latitude.

The Sector Anchorage Commander is vested with all the rights, responsibilities, duties, and authority of a Group Commander and Commanding Officer, Marine Safety Office, as provided for in Coast Guard regulations, and is the successor in command to the Commanding Officer of Marine Safety Office Anchorage. Under Operating Facility Change Order (OFCO) No. 028–06, the Sector Anchorage Commander is designated:

- Captain of the Port (COTP) for the Western Alaska COTP zone;
- Federal Maritime Security Coordinator (FMSC);
- Federal On Scene Coordinator (FOSC) for the Western Alaska COTP zone, consistent with the National Contingency Plan;
- Officer in Charge of Marine Inspection (OCMI) for the Southeast Alaska Marine Inspection Zone; and
- Search and Rescue Mission Coordinator (SMC).

The Deputy Sector Commander is designated alternate COTP, FMSC, FOSC, SMC, and Acting OCMI.

A continuity order was issued ensuring that all previous Marine Safety Office Anchorage practices and procedures will remain in effect until superseded by Commander, Sector Anchorage. This continuity of operations order addressed existing

COTP regulations, orders, directives, and policies.

The following information is updated address and point of contact to facilitate requests from the public and assist with entry into security or safety zones:

Name: Sector Anchorage.

Address: Commander, U.S. Coast Guard Sector Anchorage, 510 L Street, Suite 100, Anchorage, Alaska 99501–1946

Telephone: General Number, (907) 271–6700

Dated: July 21, 2006.

Arthur E. Brooks,

Rear Admiral, U.S. Coast Guard, Commander, Seventeenth Coast Guard District.

[FR Doc. E6–12531 Filed 8–2–06; 8:45 am]

BILLING CODE 4910–15–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[CGD17–06–002]

Implementation of Sector Juneau

AGENCY: Coast Guard, DHS.

ACTION: Notice of organizational change.

SUMMARY: The Coast Guard announces the stand-up of Sector Juneau. The creation of Sector Juneau is an internal reorganization that combines Marine Safety Office Juneau with all prior subordinate units in addition to USCGC LIBERTY, USCGC ANACAPA, USCGC NAUSHON, USCGC ELDERBERRY, Station Juneau, Station Ketchikan, and Aids to Navigation Team Sitka into a single command. In addition, a Sector Field Office has been created to provide remote logistics support at Ketchikan, Alaska, named Sector Field Office Ketchikan, which will be subordinate to Sector Juneau. The Coast Guard has established a continuity of operations whereby all previous practices and procedures will remain in effect until superseded by an authorized Coast Guard official or document.

DATES: This notice is effective the date of publication in the **Federal Register**.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket CGD17–06–002 and are available for inspection or copying at Commander (dr), Seventeenth Coast Guard District, 709 West 9th Street, Room 771, Juneau, Alaska, 99802 between 9 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: LCDR Carl Hinshaw, Assistant Branch Chief for Enforcement, Seventeenth

District Response Division at 907–463–2284.

SUPPLEMENTARY INFORMATION:

Discussion of Notice

The Command Center for Sector Juneau is located at 2760 Sherwood Lane, Suite 2A, Juneau, Alaska 99801–8545. This Command Center will be collocated with the District Seventeen Command Center. A Sector Field Office has been created to provide remote logistics support at Ketchikan, Alaska. Sector Field Office Ketchikan is subordinate to Sector Juneau.

Sector Juneau is composed of a Response Department, Prevention Department, and Logistics Department. The new Sector's area of responsibility for search and rescue (SAR) will be maintained in accordance with the District SAR plan.

We projected that by 2007, all existing administrative and operational missions and functions performed by Marine Safety Office Juneau and prior subordinate units will be performed by Sector Juneau. Administrative missions and functions performed by USCGC LIBERTY, USCGC ANACAPA, USCGC NAUSHON, USCGC ELDERBERRY, Station Juneau, Station Ketchikan, and Aids to Navigation Team Sitka will be performed by Sector Juneau. All operational missions and functions performed by USCGC LIBERTY, USCGC ANACAPA, USCGC NAUSHON, USCGC ELDERBERRY, Station Juneau, Station Ketchikan, and Aids to Navigation Team Sitka will be assumed by Sector Juneau upon stand up of a single Command Center at Sector Juneau.

Sector Juneau is responsible for all Coast Guard Missions in the following zone: The Southeast Alaska Marine Inspection Zone and Captain of the Port Zone comprising the area within the boundary, which starts at 60°01.3' N. latitude, 142°00' W. longitude; thence proceeds northeasterly to the Canadian border at 60°18.7' N. latitude, 141°00' W. longitude; thence southerly and easterly along the United States-Canadian shore side boundary to 54°40' N. latitude; thence westerly along the United States-Canadian maritime boundary to the outermost extent of the EEZ; thence northerly along the outer boundary of the EEZ to 142°00' W. longitude; thence due north to the point of origin.

There are no changes to the Southeast Alaska Marine Inspection Zone and Southeast Alaska Captain of the Port Zone, which are delineated in 33 CFR 3.85–10. Sector Juneau will retain Captain of the Port, Federal Maritime Security Coordinator, Officer in Charge

of Marine Inspection and Federal On-Scene Coordinator authorities and responsibilities in the Southeast Alaska Marine Inspection Zone and Captain of the Port Zone.

The Sector Juneau Commander is vested with all the rights, responsibilities, duties, and authority of a Group Commander and Commanding Officer, Marine Safety Office, as provided for in Coast Guard regulations, and is the successor in command to the Commanding Officer of Marine Safety Office Juneau. Under Operating Facility Change Order (OFCO) No. 027-06, the Sector Juneau Commander is designated:

- Captain of the Port (COTP) for the Southeast Alaska COTP zone;
- Federal Maritime Security Coordinator (FMSC);
- Federal On Scene Coordinator (FOSC) for the Southeast Alaska COTP zone, consistent with the National Contingency Plan;
- Officer in Charge of Marine Inspection (OCMI) for the Southeast Alaska Marine Inspection Zone; and
- Search and Rescue Mission Coordinator (SMC).

The Deputy Sector Commander is designated by Alternate COTP, FMSC, FOSC, SMC, and Acting OCMI.

A continuity order was issued on the May 8, 2006, ensuring that all previous Marine Safety Office Juneau practices and procedures will remain in effect until superseded by Commander, Sector Juneau. This continuity order addresses existing COTP regulations, orders, directives, and policies.

The following information is an updated address and point of contact to facilitate requests from the public and assist with entry into security or safety zones:

Name: Sector Juneau.

Address: Commander, U.S. Coast Guard Sector Juneau, 2760 Sherwood Lane, Suite 2A, Juneau, Alaska 99801-8545.

Telephone: General Number, (907) 463-2450.

Dated: July 20, 2006.

Arthur E. Brooks,

Rear Admiral, U.S. Coast Guard Commander, Seventeenth Coast Guard District.

[FR Doc. E6-12562 Filed 8-2-06; 8:45 am]

BILLING CODE 4910-15-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5041-N-21]

Notice of Proposed Information Collection: Comment Request; Utility Allowance Adjustments

AGENCY: Office of the Assistant Secretary for 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:* October 2, 2006.

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: Lillian Deitzer, Reports Management Officer, Department of Housing and Urban Development, 451 7th Street, SW., L'Enfant Building, Room 8202, Washington, DC 20410, telephone (202) 708-5221 (this is not a toll-free number) for copies of the proposed forms and other available information.

FOR FURTHER INFORMATION CONTACT: Kimberly R. Munson, Office of Asset Management, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, telephone number (202) 708-1320 (this is not a toll-free number).

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 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: Utility Allowance Adjustments.

OMB Control Number, if applicable: 2502-0352.

Description of the need for the information and proposed use: HUD requires an analysis of the project's utility allowances to be included in the owner's request for rent increase. HUD's review and approval is required for utility allowance increases of 10 percent or higher.

Agency form numbers, if applicable: None.

Estimation of the total numbers of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response: The estimated number of respondents is 1,200; the frequency of responses is 1; estimated time to gather and prepare the necessary documents is .50 per hour per submission, and the estimated total annual burden hours are 600.

Status of the proposed information collection: Extension of a currently approved collection.

Authority: The Paperwork Reduction Act of 1995, 44 U.S.C., Chapter 35, as amended.

Dated: July 28, 2006.

Frank L. Davis,

General Deputy Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. E6-12495 Filed 8-2-06; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5030-C-21A, 22A]

Notice of HUD's Fiscal Year (FY) 2006 Notice of Funding Availability, Policy Requirements and General Section to SuperNOFA for HUD's Discretionary Grant Programs; Correction

AGENCY: Office of the Secretary, HUD.

ACTION: Super Notice of Funding Availability (SuperNOFA) for HUD Discretionary Grant Programs; Correction.

SUMMARY: On March 8, 2006, HUD published its Fiscal Year (FY) 2006 SuperNOFA (SuperNOFA), for HUD's Discretionary Grant Programs. This document makes corrections to the notices of funding availability (NOFA) for the Section 202 Supportive Housing for the Elderly Program (Section 202) and the Section 811 Supportive Housing for Persons with Disabilities Program (Section 811). Through this notice, HUD is announcing that it has amended its

requirement for the preparation of Phase I Environmental Site Assessments (ESA) to permit HUD to accept as an acceptable Phase I ESA, either one that had been prepared based on the current American Society for Testing and Material (ASTM) Standard E 1527-05 or the previous Standard E 1527-00.

Because the requirement to submit a Phase I ESA is a threshold issue that does not affect an applicant's scoring, HUD is not reopening either the Section 202 or Section 811 competitions and will not accept additional applications.

DATES: The application submission dates for the Section 202 and Section 811 programs of the FY2006 SuperNOFA remain as published in the **Federal Register** on March 8, 2006.

FOR FURTHER INFORMATION CONTACT: For the programs listed in this notice, please contact the office or individual listed under Section VII of the individual program sections of the SuperNOFA, published on March 8, 2006.

SUPPLEMENTARY INFORMATION: On March 8, 2006 (71 FR 11712), HUD published its Notice of HUD's Fiscal Year (FY) 2006, SuperNOFA for HUD's Discretionary Grant Programs. The FY2006 SuperNOFA announced the availability of approximately \$2.2 billion in HUD assistance. On April 28, 2006, HUD published (71 FR 25208), a notice that further clarified the Section 202 and Section 811 NOFAs. This notice published in today's **Federal Register** corrects the Section 202 and Section 811 NOFAs. As described in further detail below, this notice announces that for both the Section 202 and Section 811 programs, HUD will accept as a Phase I ESA, either one that had been prepared based on the current ASTM E 1527-05 or the previous E 1527-00. Since the requirement to submit a Phase I ESA is a threshold issue that does not affect an applicant's scoring, HUD is not reopening either the Section 202 or Section 811 competitions and will not accept additional applications.

I. Changes to the Section 202 and Section 811 NOFAs

HUD is amending its Section 202 and Section 811 NOFAs to permit HUD to accept Phase I ESAs that were prepared in accordance with either the current ASTM E 1527-05 or the previous E 1527-00. This amendment recognizes that the Environmental Protection Agency (EPA), in its final rule entitled, "Standards and Practices for All Appropriate Inquiries" (70 FR 66070, November 1, 2005) provided, that until the rule's effective date, November 1, 2006, either ASTM Standard E 1527-00

or 1527-05 could be used to comply with 40 CFR 312.23 through 312.31, its rules implementing the "all appropriate inquiry" (AAI) requirements of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) (42 U.S.C. 9601 *et seq.*).

As a result, HUD decided to be proactive by requiring, in its FY2006 Section 202 and Section 811 NOFAs, that the Phase I ESA be prepared in accordance with ASTM Standard E 1527-05 instead of ASTM Standard E 1527-00. Unfortunately, many Section 202 and 811 applicants and the environmental professionals employed by the applicants misread, misinterpreted or were confused by HUD's revised Phase I requirements and did not perform the Phase I ESAs in accordance with ASTM Standard E 1527-05. HUD has determined, therefore, that it would be in the public's best interest to amend the FY2006 Section 202 and Section 811 NOFAs to permit HUD to accept the Phase I ESA prepared in accordance with either ASTM Standard E 1527-00 or ASTM Standard E 1527-05.

II. Summary of Corrections

Section 202 Program. On page 12014, section III.C.2.b.(3)(c)(i), Phase I Environmental Site Assessment (ESA), third column, the requirement that the Phase I ESA be prepared in accordance with the ASTM Standard E 1527-05, as amended, is revised to require, and to permit HUD to accept, Phase I ESAs that have been prepared in accordance with either ASTM Standard E 1527-00 or E 1527-05.

On page 12020, section IV.B.2.c.(1)(d)(vii), A Phase I Environmental Site Assessment (ESA), third column, the requirement that applicants must undertake and complete a Phase I ESA that has been prepared in accordance with ASTM Standard E 1527-05, as amended, and submit it with their Section 202 applications is amended to require, and to permit HUD to accept, Phase I ESAs that have been prepared in accordance with either ASTM Standard E 1527-00 or E 1527-05.

Section 811 Program. On page 12035, section III.C.2.b.(3)(d)(i), Phase I Environmental Site Assessment (ESA), third column, the requirement that the Phase I ESA be prepared in accordance with the ASTM Standard E 1527-05, as amended, is revised to require, and to permit HUD to accept, Phase I ESAs that have been prepared in accordance with either ASTM Standard E 1527-00 or Standard E 1527-05.

On page 12043, section IV.B.2.c.(1)(d)(vii), A Phase I

Environmental Site Assessment (ESA), third column, the requirement that applicants must undertake and complete a Phase I ESA that has been prepared in accordance with ASTM Standard E 1527-05, as amended, and submit it with their Section 811 applications is amended to require, and to permit HUD to accept, Phase I ESAs that have been prepared in accordance with either ASTM Standard E 1527-00 or E 1527-05.

Accordingly, in the Notice of HUD's Fiscal Year (FY) 2006, Notice of Funding Availability (NOFA), Policy Requirements and General Section to the SuperNOFA for HUD's Discretionary Grant Programs, beginning at 71 FR 11712, in the issue of March 8, 2006, the following corrections are made.

1. Section 202 Supportive Housing for the Elderly Program.

On page 12014, third column, revise section III.C.2.b.(3)(c)(i) to read as follows:

(i) *Phase I Environmental Site Assessment (ESA).* You must undertake and submit a Phase I ESA, prepared in accordance with ASTM Standard E 1527-05, as amended, or ASTM Standard E 1527-00, as amended, completed or updated no earlier than six months prior to the application deadline date. The Phase I ESA must be completed and submitted with the application. Therefore, it is important that you start the Phase I ESA process as soon after publication of the SuperNOFA as possible. To help you choose an environmentally safe site, HUD invites you to review the documents "Choosing an Environmentally Safe Site" and "Supplemental Guidance, Environmental Information," which are available on the HUD Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

On page 12020, third column, revise section IV.B.2.c.(1)(d)(vii) to read as follows:

(vii) A Phase I Environmental Site Assessment (ESA), in accordance with ASTM Standards E 1527-05, as amended, or ASTM Standard E 1527-00, as amended, must be undertaken and completed by you and submitted with the application. In order for the Phase I ESA to be acceptable, it must have been completed or updated no earlier than six months prior to the application deadline date. Therefore, it is important to start the site assessment process as soon after the publication of the NOFA as possible.

2. Section 811 Supportive Housing for Persons with Disabilities Program.

On page 12035, third column, revise section III.C.2.b.(3)(d)(i) to read as follows:

(i) Phase I Environmental Site Assessment (ESA). You must submit a Phase I ESA, prepared in accordance with ASTM Standard E 1527–05, as amended, or ASTM Standard E 1527–00, as amended, completed or updated no earlier than six months prior to the application deadline date in order for the application to be considered as an application with site control. The Phase I ESA must be completed and in your application. Therefore, it is important that you start the Phase I ESA process as soon after publication of the SuperNOFA as possible. To help you choose an environmentally safe site, HUD invites you to review the documents “Choosing an Environmentally Safe Site” and “Supplemental Guidance, Environmental Information,” which are available on the HUD Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

On page 12043, first column, revise section IV.B.2.c.(1)(d)(vii) to read as follows:

(vii) A Phase I Environmental Site Assessment (ESA), in accordance with ASTM Standard E 1527–05, as amended, or ASTM Standard E 1527–00, as amended, must be completed and submitted with the application. In order for the Phase I ESA to be acceptable, it must have been completed or updated no earlier than six months prior to the application deadline date. Therefore, it is important to start the site assessment process as soon after the publication of the NOFA as possible.

Dated: July 28, 2006.

Brian D. Montgomery,

Assistant Secretary for Housing—Federal Housing Commissioner.

[FR Doc. E6–12498 Filed 8–2–06; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[UT–910–06–1210–PH–24–1A]

Call for Nominations for Utah's Resource Advisory Council Vacancy

AGENCY: Bureau of Land Management, Department of the Interior.

ACTION: Notice of Call for Nominations for the Utah Resource Advisory Council.

SUMMARY: The Federal Land Policy and Management Act (FLPMA) (43 U.S.C. 1730) directs the Secretary of the Interior to involve the public in

planning and issues related to management of lands administered by Bureau of Land Management (BLM). Section 309 of FLPMA authorizes the Secretary to establish 10 to 15 member citizen-based advisory councils, whose operation shall be consistent with the requirements of the Federal Advisory Committee Act (FACA). As required by FACA, Resource Advisory Council (RAC) membership must be balanced and representative of the various interests concerned with the management of the public lands. The BLM regulations governing RACs are found at 43 CFR part 1784.

The BLM Utah State Office is hosting a call for nominations for a Transportation/Rights-of-Way position on the Utah RAC. Upon appointment, the individual selected to this position will fill the seat until September 20, 2008, the remainder of this position's term.

DATES: BLM will accept public nominations until September 5, 2006. Applicants are requested to submit a completed nomination form and reference letters to the address listed below.

FOR FURTHER INFORMATION CONTACT:

Sherry Foot, Special Programs Coordinator, Utah State Office, Bureau of Land Management, 440 West 200 South, Suite 500, Salt Lake City, Utah, 84101; telephone (801) 539–4195.

SUPPLEMENTARY INFORMATION:

Individuals may nominate themselves or others. Nominees must be residents of Utah. BLM will evaluate nominees based on their education, training, experience, and their knowledge of the geographical area of the RAC. Nominees should demonstrate a commitment to collaborative resource decision making.

The following must accompany nominations:

- Letters of reference from represented interests or organizations;
- A completed background information nomination form (contact Sherry Foot at (801) 539–4195 to obtain a nomination form); and
- Any other information that highlights the nominee's qualifications.

Dated: May 16, 2006.

John Mehlhoff,

Acting Associate State Director.

[FR Doc. E6–12559 Filed 8–2–06; 8:45 am]

BILLING CODE 4310–SS–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[ID–300–1020–PH]

Notice of Public Meetings, Idaho Falls District Resource Advisory Council Meeting and Challis OHV Subgroup Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of public meetings.

SUMMARY: In accordance with the Federal Land Policy and Management Act (FLPMA) and the Federal Advisory Committee Act of 1972 (FACA), the U.S. Department of the Interior, Bureau of Land Management (BLM) Idaho Falls District Resource Advisory Council (RAC), will meet as indicated below.

DATES: Two meetings have been scheduled in September 2006. The first will be a meeting of the Off-Highway Vehicle Subgroup of the RAC, which will be an open house at Challis High School, September 6, 2006 from 7 p.m. to 9 p.m. The purpose of the meeting is for the RAC Subgroup to begin gathering public input that will be given to the BLM Challis Field Office as part of its comprehensive Travel Management Plan. The public is encouraged to attend.

The second meeting in September is the RAC's regularly-scheduled quarterly meeting. This will be held September 19–20, 2006 at the BLM Challis Field Office, 801 Blue Mountain Road in Challis, Idaho. The meeting will begin September 19 at 10 a.m. and will conclude before 5 p.m. the following day. Among the scheduled agenda items are a discussion of the proposed BLM/USFS Recreation RACs in Idaho, a review of the OHV Subgroup's September 6 public meeting, a review of the Upper Snake Field Office's interactions with the Idaho National Laboratory on noxious weeds, and field tours of the Bayhorse Townsite and the Thompson Creek Mine. Transportation for the field tours will be provided for RAC members and BLM staff; other individuals wishing to attend should provide their own transportation.

SUPPLEMENTARY INFORMATION: The 15-member Council advises the Secretary of the Interior, through the Bureau of Land Management, on a variety of planning and management issues associated with public land management in the BLM Idaho Falls District (IFD), which covers eastern Idaho.

All meetings are open to the public. The public may present written

comments to the Council. Each formal Council meeting will also have time allocated for hearing public comments. Depending on the number of persons wishing to comment and time available, the time for individual oral comments may be limited. Individuals who plan to attend and need special assistance, such as sign language interpretation, tour transportation or other reasonable accommodations, should contact the BLM as provided below.

FOR FURTHER INFORMATION CONTACT: David Howell, RAC Coordinator, Idaho Falls District, 1405 Hollipark Dr., Idaho Falls, ID 83401. Telephone (208) 524-7559. E-mail: David_Howell@blm.gov.

Dated: July 28, 2006.

David Howell,

RAC Coordinator, Public Affairs Specialist.

[FR Doc. E6-12538 Filed 8-2-06; 8:45 am]

BILLING CODE 4310-GG-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

Notice of Public Meeting: Resource Advisory Council to the Boise District, Bureau of Land Management, U. S. Department of the Interior

AGENCY: Bureau of Land Management, U.S. Department of the Interior.

ACTION: Notice of Public Meeting.

SUMMARY: In accordance with the Federal Land Policy and Management Act (FLPMA) and the Federal Advisory Committee Act of 1972 (FACA), the U.S. Department of the Interior, Bureau of Land Management (BLM) Boise District Resource Advisory Council (RAC), will meet as indicated below.

DATES: The meeting will be held August 29, 2006, beginning at 9 a.m. and adjourning at 5 p.m. at the Boise Foothills Environmental Learning Center, Boise, ID. A field trip is scheduled for the morning hours. Public comment periods will be held after topics on the agenda.

FOR FURTHER INFORMATION CONTACT: MJ Byrne, Public Affairs Officer and RAC Coordinator, BLM Boise District, 3948 Development Ave., Boise, ID 83705, Telephone (208) 384-3393.

SUPPLEMENTARY INFORMATION: The 15-member Council advises the Secretary of the Interior, through the BLM, on a variety of planning and management issues associated with public land management in southwestern Idaho. The agenda and meeting topics will include the following:

- Field Trip to public lands affected by development in the Four Rivers Field Office located around the Boise Valley;

- Review of Action Items from previous RAC meeting;
- Hot Topics;
- Review and discussion of issue papers sent to RAC of planned activities in the District and three Field Offices;
- Subcommittee Reports:
 - OHV & Transportation Management;
 - Sage Grouse Habitat Management;
 - Resource Management Plans (RMPs)

—Bruneau Field Office' Draft RMP-EIS Alternatives

—Update on Draft EIS for the NCA-RMP

- River and Recreation Management
- Proposed Geographic Footprint for Idaho Recreation RAC's and Structure for Subgroups

Agenda items and location may change due to changing circumstances, including wildfire emergencies. All meetings are open to the public. The public may present written comments to the Council. Each formal Council meeting will also have time allocated for hearing public comments. Depending on the number of persons wishing to comment and time available, the time for individual oral comments may be limited. Individuals who plan to attend and need special assistance, such as sign language interpretation, tour transportation or other reasonable accommodations, should contact the BLM Coordinator as provided above. Expedited publication is requested to give the public adequate notice.

Dated: July 28, 2006.

Jim Johansen,

Acting District Manager.

[FR Doc. E6-12550 Filed 8-2-06; 8:45 am]

BILLING CODE 4310-GG-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[MT-922-06-1310-FI-P; MTM 93186, MTM 93187]

Notice of Proposed Reinstatement of Terminated Oil and Gas Leases MTM 93186 and MTM 93187

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: Per 30 U.S.C. 188(d), Coastal Petroleum Company timely filed petitions for reinstatement of oil and gas leases MTM 93186 and MTM 93187, Valley County, Montana. The lessee paid the required rentals accruing from the date of termination.

No leases were issued that affect these lands. The lessee agrees to new lease terms for rentals and royalties of \$5 per acre and 16 $\frac{2}{3}$ percent or 4 percentages above the existing competitive royalty rate. The lessee paid the \$500 administration fee for the reinstatement of each lease and \$163 cost for publishing this Notice.

The lessee met the requirements for reinstatement of the leases per Sec. 31 (d) and (e) of the Mineral Leasing Act of 1920 (30 U.S.C. 188). We are proposing to reinstate the leases, effective the date of termination subject to:

- The original terms and conditions of the leases;
- The increased rental of \$5 per acre for each lease;
- The increased royalty of 16 $\frac{2}{3}$ percent or 4 percentages above the existing competitive royalty rate for each lease; and
- The \$163 cost of publishing this Notice.

FOR FURTHER INFORMATION CONTACT:

Karen L. Johnson, Chief, Fluids Adjudication Section, BLM Montana State Office, 5001 Southgate Drive, Billings, Montana 59101-4669, 406-896-5098.

Dated: July 27, 2006.

Karen L. Johnson,

Chief, Fluids Adjudication Section.

[FR Doc. E6-12557 Filed 8-2-06; 8:45 am]

BILLING CODE 4310-SS-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[MT-922-06-1310-FI-P; NDM 94462]

Notice of Proposed Reinstatement of Terminated Oil and Gas Lease NDM 94462

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: Per 30 U.S.C. 188(d), Whiting Oil and Gas Corporation timely filed a petition for reinstatement of oil and gas lease. NDM 94462, Mountrail County, North Dakota. The lessee paid the required rental accruing from the date of termination.

No leases were issued that affect these lands. The lessee agrees to new lease terms for rental and royalty of \$10 per acre and 16 $\frac{2}{3}$ percent or 4 percentages above the existing competitive royalty rate. The lessee paid the \$500 administration fee for the reinstatement of the lease and \$163 cost for publishing this Notice.

The lessee met the requirements for reinstatement of the lease per Sec. 31(d) and (e) of the Mineral Leasing Act of 1920 (30 U.S.C. 188). We are proposing to reinstate the lease, effective the date of termination subject to:

- The original terms and conditions of the lease;
- The increased rental of \$10 per acre for the lease;
- The increased royalty 16 $\frac{2}{3}$ percent or 4 percentage above the existing competitive royalty rate for the lease; and
- The \$163 cost of publishing this Notice.

FOR FURTHER INFORMATION CONTACT:

Karen L. Johnson, Chief, Fluids Adjudication Section, BLM Montana State Office, 5001 Southgate Drive, Billings, Montana 59101-4669, 406-896-5098.

Date: July 27, 2006.

Karen L. Johnson,

Chief, Fluids Adjudication section.

[FR Doc. 06-6663 Filed 8-2-06; 8:45 am]

BILLING CODE 4310--\$S-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[ES-966-1910-BJ]

Group 29, Maine; Eastern States: Filing of Plat of Survey

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of Filing of Plat of Survey; Maine

SUMMARY: This is to give public notice of a survey plat filing for the State of Maine as requested by the Bureau of Indian Affairs.

DATES: The Bureau of Land Management (BLM) will file the plat of survey of the lands described below in the BLM-Eastern States, Springfield, Virginia, 30 calendar days from the date of publication in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Bureau of Land Management, 7450 Boston Boulevard, Springfield, Virginia 22153. Attn: Cadastral Survey.

SUPPLEMENTARY INFORMATION: This survey was requested by the Bureau of Indian Affairs.

The lands we surveyed are: The plat of survey represents the dependent resurvey and survey of the boundaries of Transfer Parcels D, D-1₁, D-1₂, D-1₃, and D-1₄ on the former Loring Air Force Base, to be held in trust by the United States, for the Aroostook Band of Micmacs, in Limestone, Aroostook

County, Maine, and was accepted July 21, 2006. We will place a copy of the plat we described in the open files. It will be available to the public as a matter of information.

If BLM receives a protest against this survey, as shown on the plat, prior to the date of the official filing, we will stay the filing pending our consideration of the protest. We will not officially file the plat until the day after we have accepted or dismissed all protests and they have become final, including decisions on appeals.

Dated: July 21, 2006.

Joseph W. Beaudin,

Acting Chief Cadastral Surveyor.

[FR Doc. E6-12097 Filed 8-2-06; 8:45 am]

BILLING CODE 4310-GJ-P

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

Glen Canyon Dam Adaptive Management Work Group

AGENCY: Bureau of Reclamation, Interior.

ACTION: Notice of charter renewal.

SUMMARY: This notice is published in accordance with Section 9(a)(2) of the Federal Advisory Committee Act of 1972 (Pub. L. 92-463). Following consultation with the General Services Administration, notice is hereby given that the Secretary of the Interior (Secretary) is renewing the charter for the Glen Canyon Dam Adaptive Management Work Group. The purpose of the Adaptive Management Work Group is to advise and provide recommendations to the Secretary with respect to responsibility to comply with the Grand Canyon Protection Act of October 30, 1992, embodied in Public Law 102-575.

FOR FURTHER INFORMATION CONTACT: Linda Whetton, 801-524-3880.

The certification of renewal is published below.

Certification

I hereby certify that renewal of the Glen Canyon Dam Adaptive Management Work Group is in the public interest in connection with the purpose of duties imposed on the Department of the Interior by 30 U.S.C. 1-8.

Dated: July 19, 2006.

Dirk Kempthorne,

Secretary of the Interior.

[FR Doc. 06-6659 Filed 8-2-06; 8:45 am]

BILLING CODE 4310-MN-M

DEPARTMENT OF THE INTERIOR

Office of the Special Trustee for American Indians

Notice of Proposed Information Collection

AGENCY: Office of the Special Trustee for American Indians.

ACTION: Notice and request for comments.

SUMMARY: In compliance with section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Office of the Special Trustee for American Indians, Department of the Interior, announces the proposed extension of a public information collection required by The American Indian Trust Fund Management Reform Act of 1994, "Trust Funds for Tribes and Individual Indians, 25 CFR part 115," OMB Control No. 1035-0004, and that it is seeking comments on its provisions. After public review, the Office of the Special Trustee for American Indians will submit the information collection to Office of Management and Budget for review and approval.

DATES: Consideration will be given to all comments received by October 2, 2006.

ADDRESSES: Written comments and recommendations on the proposed information collection should be sent to the Office of the Secretary, Information Collection Budget Officer, Sue Ellen Sloca, 1951 Constitution Avenue, NW., MS 120 SIB, Washington, DC 20240. Individuals providing comments should reference OMB Control Number 1035-0004, "Trust Funds for Tribes and Individual Indians, 25 CFR part 115," OMB Control No. 1035-0004.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instrument, please write to the above address, or call Sue Ellen Sloca, on 202-208-6045, or e-mail her on sue_ellen_sloca@nbc.gov.

SUPPLEMENTARY INFORMATION:

I. Abstract

Office of Management and Budget (OMB) regulations at 5 CFR part 1320, which implement the Paperwork Reduction Act of 1995 (Pub. L. 104-13), require that interested members of the public and affected agencies have an opportunity to comment on information collection and recordkeeping activities (see 5 CFR 1320.8 (d)). This notice identifies an information collection activity that the Office of the Special Trustee for American Indians will

submit to OMB for extension or re-approval.

Public Law 103-412, The American Indian Trust Fund Management Reform Act of 1994, makes provision for the Office of the Special Trustee for American Indians, within the Office of the Secretary, to administer trust funds on behalf of individual Indians and of Indian tribes. This information collection, which covers three different forms, and six different non-form occasions on which the Office of the Special Trustee is required by law to collect information from individual Indians and Indian Tribes, allows the Office of the Special Trustee to collect the information needed to establish and maintain trust accounts for individual Indians and Indian tribes. If this information were not collected, the Office of the Special Trustee would not be able to comply with The American Indian Trust Fund Management Reform Act of 1994, and the Office of the Special Trustee would not be able to carry out its fiduciary responsibilities to individual Indians and Indian tribes with respect to trust funds.

II. Data

(1) *Title:* Trust Funds for Tribes and Individual Indians, 25 CFR part 115.
OMB Control Number: 1035-0004.
Current Expiration Date: 10/31/2006.
Type of Review: Information Collection: Renewal.
Affected Entities: State, local, or tribal government.

Estimated annual number of respondents: 285,000.

Frequency of response: As needed.
 (2) Annual reporting and recordkeeping burden.

Estimated number of responses annually: 677,675.

Total annual reporting: 472,214.

(3) *Description of the need and use of the information:* The statutorily-required information is needed to provide the Office of the Special Trustee with a vehicle to collect the information needed to establish and maintain trust accounts for individual Indians and Indian tribes.

III. Request for Comments
The Department of the Interior invites comments on:

(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 the burden of the collection and the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) Ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other collection techniques or other forms of information technology.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose or provide information to or for a federal agency. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information, to search data sources, to complete and review the collection of information; and to transmit or otherwise disclose the information.

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 Office of Management and Budget control number.

Dated: July 27, 2006.

Ross O. Swimmer,
Special Trustee for American Indians.
 [FR Doc. E6-12490 Filed 8-2-06; 8:45 am]
BILLING CODE 4310-2W-P

DEPARTMENT OF THE INTERIOR

Office of the Special Trustee for American Indians

Notice of Proposed Information Collection

AGENCY: Office of the Special Trustee for American Indians, DOI.

ACTION: Notice and Request for Comments.

SUMMARY: The proposal for the collection of information listed below has been submitted to the Office of Management and Budget (OMB) for approval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed information collection request may be obtained by contacting the Office of the Special Trustee at the phone number listed below in the **FOR FURTHER INFORMATION CONTACT** section. Comments and suggestions on this proposal should be made directly to the Office of Management and Budget. A copy of the comments and suggestions should also be sent to the Office of the

Special Trustee, at the address listed below.

DATES: OMB has up to 60 days to approve or disapprove the information collection, but may respond after 30 days. Therefore, public comments should be submitted to OMB by September 5, 2006, in order to be assured of consideration.

ADDRESSES: Send your written comments to Office of Management and Budget, Office of Information and Regulatory Affairs, Attention, Department of the Interior Desk Officer, by fax to 202-395-6566, or by e-mail to oira_docket@omb.eop.gov. Send a copy of your written comments to Office of the Special Trustee for American Indians, Office of External Affairs, Attn: Carrie Moore, Department of the Interior, MS 5140 MIB, 1849 C St., NW., Washington, DC 20240. Individuals providing comments should reference OMB control number 1035-0003, "Application to Withdraw Tribal Funds from Trust Status, 25 CFR 1200."

FOR FURTHER INFORMATION CONTACT: To request a copy of the information collection request ("Application to Withdraw Tribal Funds from Trust Status, 25 CFR 1200," OMB control number 1035-0003), and explanatory information, contact Office of the Special Trustee for American Indians, Office of External Affairs, Attn: Carrie Moore, Department of the Interior, MS 5140 MIB, 1849 C St., NW., Washington, DC 20240, or phone 202-208-4866.

SUPPLEMENTARY INFORMATION:

I. Abstract

Office of Management and Budget (OMB) regulations at 5 CFR part 1320, which implement the Paperwork Reduction Act of 1995 (Pub. L. 104-13), require that interested members of the public and affected agencies have an opportunity to comment on information collection and recordkeeping activities (see 5 CFR 1320.8 (d)). This notice identifies an information collection activity that the Office of the Special Trustee for American Indians will submit to OMB for extension or re-approval.

Public Law 103-412, The American Indian Trust Fund Management Reform Act of 1994, allows Indian tribes on a voluntary basis to take their funds out of trust status within the Department of the Interior (and the Federal Government) in order to manage such funds on their own. 25 CFR Part 1200, Subpart B, Section 1200.13, "How does a tribe apply to withdraw funds?" describes the requirements for application for withdrawal. The Act covers all tribal trust funds including

judgment funds as well as some settlement funds, but excludes funds held in Individual Indian Money accounts. Both the Act and the regulation state that upon withdrawal of the funds, the Department of the Interior (and the Federal Government) have no further liability for such funds. Accompanying their application for withdrawal of trust funds, tribes are required to submit a Management Plan for managing the funds being withdrawn, to protect the funds once they are out of trust status.

This information collection allows the Office of the Special Trustee to collect the tribes' applications for withdrawal of funds held in trust by the Department of the Interior. If this information were not collected, the Office of the Special Trustee would not be able to comply with The American Indian Trust Fund Management Reform Act of 1994, and tribes would not be able to withdraw funds held for them in trust by the Department of the Interior.

II. Data

(1) *Title:* Application to Withdraw Tribal Funds from Trust Status, 25 CFR Part 1200.

OMB Control Number: 1035-0003.

Current Expiration Date: 08/31/2006.

Type of Review: Information

Collection: Renewal.

Affected Entities: State, local, or tribal government.

Estimated annual number of respondents: 4.

Frequency of response: Once per respondent.

(2) *Annual reporting and recordkeeping burden.*

Total annual reporting per respondent: 400 hours.

Total annual reporting: 1600 hours.

(3) *Description of the need and use of the information:* The statutorily-required information is needed to provide a vehicle for tribes to withdraw funds from accounts held in trust for them by the United States Government.

III. Request for Comments

The Department of the Interior invites comments on:

(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 the burden of the collection and the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) Ways to minimize the burden of the collection of information on those

who are to respond, including through the use of appropriate automated, electronic, mechanical, or other collection techniques or other forms of information technology.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose or provide information to or for a federal agency. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information, to search data sources, to complete and review the collection of information; and to transmit or otherwise disclose the information.

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 Office of Management and Budget control number.

Dated: July 25, 2006.

Carrie Moore,

Director, Office of External Affairs, Office of the Special Trustee for American Indians.

[FR Doc. E6-12491 Filed 8-2-06; 8:45 am]

BILLING CODE 4310-2W-P

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Renewal of Advisory Committee on Presidential Libraries

This notice is published in accordance with the provisions of section 9(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C., App.) and advises of the renewal of the National Archives and Records Administration's (NARA) Advisory Committee on Presidential Libraries. In accordance with Office of Management and Budget (OMB) Circular A-135, OMB approved the inclusion of the Advisory Committee on Presidential Libraries in NARA's ceiling of discretionary advisory committees.

NARA has determined that the renewal of the Advisory Committee is in the public interest due to the expertise and valuable advice the Committee members provide on issues affecting the functioning of existing Presidential libraries and library programs and the development of future Presidential libraries. NARA will use the Committee's recommendations in its implementation of strategies for the

efficient operation of the Presidential libraries. NARA's Committee Management Officer is Mary Ann Hadyka. She can be reached at 301-837-1782.

Dated: July 27, 2006.

Allen Weinstein,

Archivist of the United States.

[FR Doc. E6-12499 Filed 8-2-06; 8:45 am]

BILLING CODE 7515-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40-7580]

Notice of Denial of License Amendment Request of FMRI, Muskogee, OK, and Opportunity To Request a Hearing

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of denial of license amendment request, and opportunity to request a hearing.

DATES: A request for a hearing must be filed by August 23, 2006.

FOR FURTHER INFORMATION CONTACT: J. C. Shepherd, Project Engineer, Decommissioning Directorate, Division of Waste Management and Environmental Protection, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T7 E18, Washington, DC, 20555, telephone: (301) 415-6712; e-mail: jcs2@nrc.gov; fax number (301) 415-5398.

SUPPLEMENTARY INFORMATION:

I. Introduction

FMRI is the holder of a source material license issued by the U.S. Nuclear Regulatory Commission (NRC) pursuant to 10 CFR Part 40. By letter dated March 31, 2006 (ML060950342), FMRI submitted a license amendment application to the NRC requesting a modification of Materials License SMB-911, Condition 45, for its site located in Muskogee, Oklahoma. Condition 45 requires the licensee to update the financial projections in Tables 15-11 and 15-12 of its approved Decommissioning Plan (DP) from the current year through completion of decommissioning. The request would remove the requirement for updating Table 15-12 and replace it with: "FMRI shall submit * * * Form 10-K for Fansteel Inc. within five business days after filing with the Securities and Exchange Commission and a representative shall be available to the NRC on an annual basis upon timely

request to discuss any matters disclosed in the Form 10-K." The NRC staff is denying FMRI's license amendment request because the proposed change does not provide assurance that the NRC will obtain sufficient information about FMRI's future financial ability to meet its decommissioning obligations under the approved DP, as more fully set forth in the staff's letter to FMRI dated July 27, 2006 (ML061710551).

II. Opportunity To Request a Hearing

The NRC hereby provides notice that this is a proceeding on an application for a license amendment to modify financial reporting requirements for FMRI. In accordance with the general requirements in Subpart C of 10 CFR Part 2, as amended on January 14, 2004, (69 FR 2182), any person whose interest may be affected by this proceeding and who desires to participate as a party must file a written request for a hearing.

In accordance with 10 CFR 2.302(a), a request for a hearing must be filed with the Commission either by:

1. First class mail addressed to: Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications;

2. Courier, express mail, and expedited delivery services: Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, Attention: Rulemakings and Adjudications Staff, between 7:45 a.m. and 4:15 p.m., Federal workdays;

3. E-mail addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, hearingdocket@nrc.gov; or
4. By facsimile transmission addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC, Attention: Rulemakings and Adjudications Staff, at (301) 415-1101; verification number is (301) 415-1966.

In accordance with 10 CFR 2.302(b), all documents offered for filing must be accompanied by proof of service on all parties to the proceeding or their attorneys of record as required by law or by rule or order of the Commission, including:

1. The applicant, FMRI, Inc., 10 Tantalum Place, Muskogee, Oklahoma 74403; and

2. The NRC staff, by delivery to the Office of the General Counsel, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, or by mail addressed to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001. Hearing requests should also be transmitted to the Office of the General

Counsel, either by means of facsimile transmission to (301) 415-3725, or by e-mail to ogcmailcenter@nrc.gov.

The formal requirements for documents contained in 10 CFR 2.304(b), (c), (d), and (e), must be met. In accordance with 10 CFR 2.304 (f), a document filed by electronic mail or facsimile transmission need not comply with the formal requirements of 10 CFR 2.304(b), (c), and (d), as long as an original and two (2) copies otherwise complying with all of the requirements of 10 CFR 2.304(b), (c), and (d) are mailed within two (2) days thereafter to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff.

In accordance with 10 CFR 2.103(b)(2), a request for a hearing must be filed by August 23, 2006.

In addition to meeting other applicable requirements a person other than FMRI requesting a hearing on this matter must state:

1. The name, address, and telephone number of the requester;

2. The nature of the requester's right under the Act to be made a party to the proceeding;

3. The nature and extent of the requester's property, financial or other interest in the proceeding;

4. The possible effect of any decision or order that may be issued in the proceeding on the requester's interest; and

5. The circumstances establishing that the request for a hearing is timely.

In accordance with 10 CFR 2.309(f)(1), a person other than FMRI requesting a hearing on this matter must set forth with particularity the contentions sought to be raised. For each contention, the request or petition must:

1. Provide a specific statement of the issue of law or fact to be raised or controverted;

2. Provide a brief explanation of the basis for the contention;

3. Demonstrate that the issue raised in the contention is within the scope of the proceeding;

4. Demonstrate that the issue raised in the contention is material to the findings that the NRC must make to support the action that is involved in the proceeding;

5. Provide a concise statement of the alleged facts or expert opinions which support the requester's/petitioner's position on the issue and on which the requester/petitioner intends to rely to support its position on the issue; and

6. Provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. This information must include

references to specific portions of the license amendment request that the requester/petitioner disputes and the supporting reasons for each dispute, or, if the requester/petitioner believes the request fails to contain information on a relevant matter as required by law, the identification of each failure and the supporting reasons for the requester's/petitioner's belief.

Contentions may be amended or new contentions filed after the initial filing only with leave of the presiding officer. Requesters/petitioners should, when possible, consult with each other in preparing contentions and combine similar subject matter concerns into a joint contention, for which one of the co-sponsoring requesters/petitioners is designated the lead representative. Further, in accordance with 10 CFR 2.309(f)(3), any requester/petitioner that wishes to adopt a contention proposed by another requester/petitioner must do so in writing within ten days of the date the contention is filed, and designate a representative who shall have the authority to act for the requester/petitioner.

In accordance with 10 CFR 2.309(g), a request for hearing and/or petition for leave to intervene may also address the selection of the hearing procedures, taking into account the provisions of 10 CFR 2.310.

III. Further Information

The license amendment request and any information referenced therein may be made available pursuant to a protective order and subject to applicable security requirements upon a showing that the petitioner has an interest that may be affected by the proceeding.

Dated at Rockville, Maryland, this 27th day of July 2006.

For the Nuclear Regulatory Commission.

Keith I. McConnell,

Deputy Director, Decommissioning Directorate, Division of Waste Management, Office of Nuclear Material Safety and Safeguards.

[FR Doc. E6-12518 Filed 8-2-06; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket Number 030-34810]

Notice of Availability of Environmental Assessment and Finding of No Significant Impact for License Termination for Esperion Therapeutics, Inc., Ann Arbor, MI

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of availability.

FOR FURTHER INFORMATION CONTACT: Dr. Peter J. Lee, Decommissioning Branch, Division of Nuclear Materials Safety, U.S. Nuclear Regulatory Commission, Region III, 2443 Warrenville Road, Lisle, Illinois 60532-4352. Telephone: 630-829-9870; fax number: 630-515-1259; e-mail: pjl2@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The U.S. Nuclear Regulatory Commission (NRC) is considering issuing a license termination of Material License No. 21-32115-01 issued to Esperion Therapeutics, Inc. (the licensee), to authorize release of its Ann Arbor facility for unrestricted use.

The NRC staff has prepared an Environmental Assessment (EA) in support of this amendment in accordance with the requirements of 10 CFR Part 51. Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate. The amendment will be issued following the publication of this Notice.

II. EA Summary

The purpose of the proposed action is to terminate Byproduct Material License No. 21-32115-01 issued to Esperion Therapeutics, Inc., and release its Ann Arbor, Michigan facility for unrestricted use. On September 24, 1998, the NRC authorized the licensee to use labeled compounds such as hydrogen-3, carbon-14, phosphorus-32, phosphorus-33, sulfur-35, etc. for research and development. On May 17, 2006, the licensee submitted a license termination request to release its Ann Arbor facility for unrestricted use. The licensee has conducted surveys of the facility and provided information to the NRC to demonstrate that the site meets the license termination criteria in 10 CFR 20.1402, "Radiological Criteria for Unrestricted Use."

The staff has examined the licensee's request and the information provided in support of its request, including the surveys performed to demonstrate compliance with the release criteria. The staff has found that the radiological environmental impacts from the proposed action are bounded by the impacts evaluated in the "Generic Environmental Impact Statement in Support of Rulemaking on Radiological Criteria for License Termination of NRC-Licensed Facilities" (NUREG-1496). Additionally, no non-radiological or cumulative impacts were identified. Based on its review, the staff has determined that there are no additional

remediation activities necessary to complete the proposed action and a Finding of No Significant Impact is appropriate.

III. Finding of No Significant Impact

On the basis of the EA, the NRC concluded that there are no significant environmental impacts from the proposed amendment and determined not to prepare an environmental impact statement.

IV. Further Information

Documents related to this action, including the application for amendment and supporting documentation, are available electronically at the NRC's electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. From this site, you can access the NRC's Agencywide Document Access and Management System (ADAMS), which provides text and image files of NRC's public documents. The ADAMS accession numbers for the documents related to this notice are: ML061390181 for the May 17, 2006, license termination request and ML062020314 for the EA summarized above. If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC's Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov.

These documents may also be viewed electronically on the public computers located at the NRC's PDR, O 1 F21, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852. The PDR reproduction contractor will copy documents for a fee.

Dated at Lisle, Illinois, this 24th day of July 2006.

For the Nuclear Regulatory Commission,
Jamnes L. Cameron,

Chief, Decommissioning Branch, Division of Nuclear Materials Safety, Region III.

[FR Doc. E6-12516 Filed 8-2-06; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 03001125]

Notice of Availability of Environmental Assessment and Finding of No Significant Impact for License Amendment to Byproduct Materials License No. 45-10414-01, for Unrestricted Release of the James Madison University's Miller Hall Facility in Harrisonburg, VA

AGENCY: Nuclear Regulatory Commission.

ACTION: Issuance of Environmental Assessment and Finding of No Significant Impact for License Amendment.

FOR FURTHER INFORMATION CONTACT:

Thomas K. Thompson, Sr. Health Physicist, Commercial and R&D Branch, Division of Nuclear Materials Safety, Region I, King of Prussia, Pennsylvania; telephone (610) 337-5303; fax number (610) 337-5269; or by e-mail: tkt@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The U.S. Nuclear Regulatory Commission (NRC) is considering the issuance of a license amendment to Byproduct Materials License No. 45-10414-01. This license is held by James Madison University (the Licensee), located at Harrisonburg, Virginia. Issuance of the amendment would authorize release of Miller Hall, located on the James Madison University Campus, for unrestricted use. The Licensee requested this action in a letter dated November 28, 2005. The NRC has prepared an Environmental Assessment (EA) in support of this proposed action in accordance with the requirements of Title 10, Code of Federal Regulations (CFR), Part 51 (10 CFR Part 51). Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate with respect to the proposed action. The amendment will be issued to the Licensee following the publication of this FONSI and EA in the **Federal Register**.

II. Environmental Assessment

Identification of Proposed Action

The proposed action would approve the Licensee's November 28, 2005, license amendment request, resulting in release of Miller Hall for unrestricted use. License No. 45-10414-01 was issued in 1964, pursuant to 10 CFR Part 30, and has been amended periodically since that time. This license authorized the Licensee to use sealed and unsealed byproduct materials for purposes of conducting research and development activities on laboratory bench tops and in hoods, for teaching and training of students, and calibration of instruments.

Miller Hall is situated on the James Madison University Campus in Harrisonburg, Virginia. Miller Hall is a 77,977 square foot building containing teaching laboratories and classrooms, research laboratories, office/storage areas, a large lecture hall and a planetarium. Miller Hall (the Facility) is surrounded on three sides by other James Madison University Campus

academic buildings and on the fourth side by Rockingham Memorial Hospital and Cancer Center. Within the Facility, use of licensed materials was confined to Rooms G21, G22, G22A, and 110.

On May 10, 2005, the Licensee ceased licensed activities and initiated a survey and decontamination of the Facility. Based on the Licensee's historical knowledge of the site and the conditions of the Facility, the Licensee determined that only routine decontamination activities, in accordance with its NRC-approved, operating radiation safety procedures, were required. Therefore, in accordance with 10 CFR 30.36(g), the Licensee was not required to submit a decommissioning plan to the NRC. The Licensee conducted surveys of the Facility and provided information to the NRC to demonstrate that it meets the criteria in Subpart E of 10 CFR Part 20 for unrestricted release.

Need for the Proposed Action

The Licensee has ceased conducting licensed activities at the Facility, and seeks the unrestricted use of Miller Hall.

Environmental Impacts of the Proposed Action

The historical review of licensed activities conducted at the Facility shows that such activities involved use of many radionuclides with half-lives greater than 120 days. Prior to performing the final status survey, the Licensee conducted a historical site assessment of byproduct materials activities in the areas of the Facility affected by these radionuclides and determined that residual contamination from operations was unlikely.

The Licensee conducted a final status survey on October 18, 2005. This survey covered Rooms G21, G22, G22A, 110, and the adjacent corridor. The final status survey report was submitted with the Licensee's amendment request dated November 28, 2005. The Licensee elected to demonstrate compliance with the radiological criteria for unrestricted release as specified in 10 CFR 20.1402 by using the screening approach described in NUREG-1757, "Consolidated NMSS Decommissioning Guidance," Volume 2. The Licensee used the radionuclide-specific derived concentration guideline levels (DCGLs), developed there by the NRC, which comply with the dose criterion in 10 CFR 20.1402. These DCGLs define the maximum amount of residual radioactivity on building surfaces, equipment, and materials, and in soils, that will satisfy the NRC requirements in subpart E of 10 CFR part 20 for unrestricted release. NRC considers these DCGLs to represent levels that are

As Low As Reasonably Achievable (ALARA), and in compliance with the ALARA requirement of 10 CFR 20.1402. The Licensee's final status survey results for randomized samples were below these DCGLs, and are thus acceptable here for use as release criteria.

Based on its review, the NRC staff has determined that the affected environment and any environmental impacts associated with the proposed action are bounded by the impacts evaluated by the "Generic Environmental Impact Statement in Support of Rulemaking on Radiological Criteria for License Termination of NRC-Licensed Nuclear Facilities" (NUREG-1496) Volumes 1-3 (ML042310492, ML042320379, and ML042330385). Further, no incidents were recorded involving spills or releases of radioactive material at the Facility.

Accordingly, there were no significant environmental impacts from the use of radioactive material at the Facility. The NRC staff reviewed the docket file records and the final status survey report to identify any non-radiological hazards that may have impacted the environment surrounding the Facility. No such hazards or impacts to the environment were identified. The NRC has found no other radiological or non-radiological activities in the area that could result in cumulative environmental impacts.

The NRC staff finds that the proposed release of the Miller Hall facility described above for unrestricted use is in compliance with 10 CFR 20.1402. Based on its review, the staff considered the impact of the residual radioactivity at the Facility and concluded that the proposed action will not have a significant effect on the quality of the human environment.

Environmental Impacts of the Alternatives to the Proposed Action

Due to the largely administrative nature of the proposed action, its environmental impacts are small. Therefore, the only alternative the staff considered is the no-action alternative, under which the staff would leave things as they are by simply denying the amendment request. This no-action alternative is not feasible because it conflicts with 10 CFR 30.36(d) requiring that decommissioning of byproduct material facilities be completed and approved by the NRC after licensed activities cease. The NRC's analysis of the Licensee's final status survey data confirmed that the Facility meets the requirements of 10 CFR 20.1402 for unrestricted release. Additionally, denying the amendment request would

result in no change in current environmental impacts. The environmental impacts of the proposed action and the no-action alternative are therefore similar, and the no-action alternative is accordingly not further considered.

Conclusion

The NRC staff has concluded that the proposed action is consistent with the NRC's unrestricted release criteria specified in 10 CFR 20.1402. Because the proposed action will not significantly impact the quality of the human environment, the NRC staff concludes that the proposed action is the preferred alternative.

Agencies and Persons Consulted

NRC provided a draft of this Environmental Assessment to the Virginia Department of Health for review on March 23, 2006. On March 23, 2006, the Virginia Department of Health responded by email. The State agreed with the conclusions of the EA, and otherwise had no comments.

The NRC staff has determined that the proposed action is of a procedural nature, and will not affect listed species or critical habitat. Therefore, no further consultation is required under Section 7 of the Endangered Species Act. The NRC staff has also determined that the proposed action is not the type of activity that has the potential to cause effects on historic properties. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

III. Finding of No Significant Impact

The NRC staff has prepared this EA in support of the proposed action. On the basis of this EA, the NRC finds that there are no significant environmental impacts from the proposed action, and that preparation of an environmental impact statement is not warranted. Accordingly, the NRC has determined that a Finding of No Significant Impact is appropriate.

IV. Further Information

Documents related to this action, including the application for license amendment and supporting documentation, are available electronically at the NRC's Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. From this site, you can access the NRC's Agencywide Document Access and Management System (ADAMS), which provides text and image files of NRC's public documents. The documents related to this action are listed below, along with their ADAMS accession numbers.

(1) Amendment request dated November 28, 2005 (ML053430158);
 (2) Additional information provided by the Licensee on January 13, 2006 (ML060190077);

(3) Additional information provided by the Licensee on May 8, 2006 (ML061290167);

(4) **Federal Register** Notice, Volume 65, No. 114, page 37186, dated Tuesday, June 13, 2000, "Use of Screening Values to Demonstrate Compliance With The Federal Rule on Radiological Criteria for License Termination;"

(5) Title 10 Code of Federal Regulations, Part 20, Subpart E, "Radiological Criteria for License Termination;"

(6) Title 10, Code of Federal Regulations, Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions;"

(7) NUREG-1496, "Generic Environmental Impact Statement in Support of Rulemaking on Radiological Criteria for License Termination of NRC-Licensed Nuclear Facilities".

If you do not have access to ADAMS, or if there are problems in accessing the documents located in ADAMS, contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov. These documents may also be viewed electronically on the public computers located at the NRC's PDR, O1F21, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852. The PDR reproduction contractor will copy documents for a fee.

Dated at 475 Allendale Road, King of Prussia, PA this 20th day of July 2006.

For the Nuclear Regulatory Commission.

James P. Dwyer,

Chief, Commercial and R&D Branch, Division of Nuclear Materials Safety, Region I.

[FR Doc. E6-12513 Filed 8-2-06; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 070-03071]

Notice of Availability of Environmental Assessment and Finding of No Significant Impact for License Amendment to Special Nuclear Materials License No. SNM-1990, for Unrestricted Release of the West Virginia University Institute of Technology's Engineering Classroom Building in Montgomery, WV

AGENCY: Nuclear Regulatory Commission.

ACTION: Issuance of Environmental Assessment and Finding of No

Significant Impact for License Amendment.

FOR FURTHER INFORMATION CONTACT:

Betsy Ullrich, Senior Health Physicist, Commercial and R&D Branch, Division of Nuclear Materials Safety, Region I, 475 Allendale Road, King of Prussia, Pennsylvania; telephone (610) 337-5040; fax number (610) 337-5269; or by e-mail: exu@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The U.S. Nuclear Regulatory Commission (NRC) is considering the issuance of a license amendment to Special Nuclear Materials License No. SNM-1990. This license is held by the West Virginia University Institute of Technology (the Licensee) for its Department of Physics, located at 405 Fayette Place in Montgomery, West Virginia. Issuance of the amendment would authorize Room 105 of the Department of Physics' Engineering Classroom Building (the Facility) to be released for unrestricted use. The Licensee requested this action in a letter dated August 9, 2005. The NRC has prepared an Environmental Assessment (EA) in support of this proposed action in accordance with the requirements of Title 10, Code of Federal Regulations (CFR), Part 51 (10 CFR Part 51). Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate with respect to the proposed action. The amendment will be issued to the Licensee following the publication of this FONSI and EA in the **Federal Register**.

II. Environmental Assessment

Identification of Proposed Action

The proposed action would approve the Licensee's August 9, 2005, license amendment request, resulting in Room 105 (where licensed materials were used or stored) being released for unrestricted use. License No. SNM-1990 was issued on April 30, 1991, pursuant to 10 CFR parts 40 and 70, and has been amended periodically since that time. This license authorized the Licensee to use plutonium-239 and uranium for purposes of storage only until transferred to an authorized recipient. This license superseded License No. SNM-608 (issued June 14, 1965 to authorize the use of plutonium-239 sealed neutron sources for educational and research activities) and License No. SUD-869 (issued April 22, 1966 for use of natural uranium in sub-critical assemblies for educational and research purposes).

The Facility is situated on the Licensee's 110-acre campus, which is located in a rural area. Within the Facility, use of licensed materials was confined to Room 105, which has approximately 47 square meters of floor area.

On June 7, 2005, the Licensee ceased licensed activities and initiated a survey and decontamination of Room 105. Based on the Licensee's historical knowledge of the site and the conditions of the Facility, the Licensee determined that only routine decontamination activities, in accordance with its NRC-approved, operating radiation safety procedures, were required. Therefore, the Licensee was not required to submit a decommissioning plan to the NRC. The Licensee conducted surveys of Room 105 and provided information to the NRC to demonstrate that it meets the criteria in Subpart E of 10 CFR part 20 for unrestricted release.

Need for the Proposed Action

The Licensee has ceased conducting licensed activities in Room 105, and seeks its unrestricted use.

Environmental Impacts of the Proposed Action

The historical review of licensed activities conducted in Room 105 shows that such activities involved use of the following radionuclide with half-life greater than 120 days: Natural uranium. Prior to performing the final status survey, the Licensee conducted decontamination activities, as necessary, in the Room 105 areas affected by the use of natural uranium.

The Licensee conducted surveys in Room 105 on June 7, 2005, and January 12, 2006, as reflected in the Licensee's amendment request dated August 9, 2005, and subsequent submittals. The Licensee elected to demonstrate compliance with the radiological criteria for unrestricted release as specified in 10 CFR 20.1402 by using the screening approach described in NUREG-1757, "Consolidated NMSS Decommissioning Guidance," Volume 2. The Licensee used the radionuclide-specific derived concentration guideline levels (DCGLs), developed there by the NRC, which comply with the dose criterion in 10 CFR 20.1402. These DCGLs define the maximum amount of residual radioactivity on building surfaces, equipment, and materials, and in soils, that will satisfy the NRC requirements in Subpart E of 10 CFR part 20 for unrestricted release. The NRC considers these DCGLs to be in compliance with the As Low As Reasonably Achievable (ALARA) requirement of 10 CFR 20.1402. The

Licensee's final status survey results were below these DCGLs, and are thus acceptable. Based on its review, the staff has determined that the affected environment and any environmental impacts associated with the proposed action are bounded by the impacts evaluated by the "Generic Environmental Impact Statement in Support of Rulemaking on Radiological Criteria for License Termination of NRC-Licensed Nuclear Facilities" (NUREG-1496) Volumes 1-3 (ML042310492, ML042320379, and ML042330385). Further, no incidents were recorded involving spills or releases of radioactive material at the Facility. Accordingly, there were no significant environmental impacts from the use of radioactive material at the Facility. The NRC staff reviewed the docket file records and the final status survey report to identify any non-radiological hazards that may have impacted the environment surrounding the Facility. No such hazards or impacts to the environment were identified. The NRC has found no other radiological or non-radiological activities in the area that could result in cumulative environmental impacts.

The NRC staff finds that the proposed release of the Facility described above for unrestricted use is in compliance with 10 CFR 20.1402. Based on its review, the staff considered the impact of the residual radioactivity in Room 105 and concluded that the proposed action will not have a significant effect on the quality of the human environment.

Environmental Impacts of the Alternatives to the Proposed Action

Due to the largely administrative nature of the proposed action, its environmental impacts are small. Therefore, the only alternative the staff considered is the no-action alternative, under which the staff would leave things as they are by simply denying the amendment request. This no-action alternative is not feasible because it conflicts with 10 CFR 40.42(d) and 70.38(d), requiring that decommissioning of source and special nuclear material facilities be completed and approved by the NRC after licensed activities cease. The NRC's analysis of the Licensee's final status survey data confirmed that Room 105 meets the requirements of 10 CFR 20.1402 for unrestricted release. Additionally, denying the amendment request would result in no change in current environmental impacts. The environmental impacts of the proposed action and the no-action alternative are therefore similar, and the no-action

alternative is accordingly not further considered.

Conclusion

The NRC staff has concluded that the proposed action is consistent with the NRC's unrestricted release criteria specified in 10 CFR 20.1402. Because the proposed action will not significantly impact the quality of the human environment, the NRC staff concludes that the proposed action is the preferred alternative.

Agencies and Persons Consulted

NRC provided a draft of this Environmental Assessment to the State of West Virginia for review on May 17, 2006. On June 20, 2006, the State of West Virginia responded by electronic mail. The State agreed with the conclusions of the EA, and otherwise had no comments.

The NRC staff has determined that the proposed action is of a procedural nature, and will not affect listed species or critical habitat. Therefore, no further consultation is required under Section 7 of the Endangered Species Act. The NRC staff has also determined that the proposed action is not the type of activity that has the potential to cause effects on historic properties. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

III. Finding of No Significant Impact

The NRC staff has prepared this EA in support of the proposed action. On the basis of this EA, the NRC finds that there are no significant environmental impacts from the proposed action, and that preparation of an environmental impact statement is not warranted. Accordingly, the NRC has determined that a Finding of No Significant Impact is appropriate.

IV. Further Information

Documents related to this action, including the application for license amendment and supporting documentation, are available electronically at the NRC's Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. From this site, you can access the NRC's Agencywide Document Access and Management System (ADAMS), which provides text and image files of NRC's public documents. The documents related to this action are listed below, along with their ADAMS accession numbers.

(1) Letter dated August 9, 2005, transmitting the "Final Status Survey for Decommissioning for West Virginia University Institute of Technology

Engineering Classroom Building Room 105" [ML052280399];

(2) Additional information in letters dated November 7, 2005 [ML053200348] and January 19, 2006 [ML060240555], and by facsimile February 10, 2006 [ML060470436];

(3) **Federal Register** Notice, Volume 65, No. 114, page 37186, dated Tuesday, June 13, 2000, "Use of Screening Values to Demonstrate Compliance With The Federal Rule on Radiological Criteria for License Termination";

(4) Title 10, Code of Federal Regulations, Part 20, Subpart E, "Radiological Criteria for License Termination";

(5) Title 10, Code of Federal Regulations, Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions";

(6) NUREG-1496, "Generic Environmental Impact Statement in Support of Rulemaking on Radiological Criteria for License Termination of NRC-Licensed Nuclear Facilities."

If you do not have access to ADAMS, or if there are problems in accessing the documents located in ADAMS, contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov. These documents may also be viewed electronically on the public computers located at the NRC's PDR, O 1 F21, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852. The PDR reproduction contractor will copy documents for a fee.

Dated at King of Prussia, Pennsylvania, this 20th day of July 2006.

For the Nuclear Regulatory Commission.

James P. Dwyer,

Chief, Commercial and R&D Branch, Division of Nuclear Materials Safety, Region I.

[FR Doc. E6-12514 Filed 8-2-06; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 040-07455]

Notice of Availability of Environmental Assessment and Finding of No Significant Impact for License Amendment to Source Materials License No. SMA 1018, Approving Revision 2 of the Erosion Sediment Pollution Control Plan for Excavation of Wetlands Areas at the Whittaker Corporation's Facility in Transfer, PA

AGENCY: Nuclear Regulatory Commission.

ACTION: Issuance of Environmental Assessment and Finding of No Significant Impact for License Amendment.

FOR FURTHER INFORMATION CONTACT: Marjorie McLaughlin, Health Physicist,

Decommissioning Branch, Division of Nuclear Materials Safety, Region I, 475 Allendale Road, King of Prussia, Pennsylvania 19406-1415; telephone (610) 337-5240; fax number (610) 337-5269; or by e-mail: mmm3@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The U.S. Nuclear Regulatory Commission (NRC) is considering the issuance of a license amendment to Source Materials License No. SMA-1018. This license is held by Whittaker Corporation (the Licensee), for its Whittaker facility (the Facility), located at 99 Crestview Drive in Transfer, Pennsylvania. Issuance of the amendment would approve a revision to the license tie-down document, "Erosion and Sediment Pollution Control Plan for Phase 1 and Phase 2 Activities at the Whittaker Remediation Site (ESPCP)." The Licensee requested this action in a letter dated May 24, 2006. The NRC has prepared an Environmental Assessment (EA) in support of this proposed action in accordance with the requirements of Title 10, Code of Federal Regulations (CFR), Part 51 (10 CFR Part 51). Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate with respect to the proposed action. The amendment will be issued to the Licensee following the publication of this FONSI and EA in the **Federal Register**.

II. Environmental Assessment

Identification of Proposed Action

The proposed action would grant the Licensee's May 24, 2006, license amendment request, thereby approving Revision 2 of the ESPCP. Specifically, the ESPCP describes the Licensee's activities at the Facility that involve excavation and/or other forms of earth disturbance. The ESPCP also describes the engineering and programmatic controls the Licensee will implement during any such activities to minimize the potential for accelerated erosion and sedimentation. Accelerated erosion is the removal of surface soils by natural processes and human activity at a faster rate than would occur due to the natural processes alone. Sedimentation is the action of depositing sediment (e.g., soil) in a body of water. The proposed action would approve the Licensee's revision to the ESPCP to allow for excavation of material within Facility areas that are delineated as wetlands. The specific contents of the ESPCP are described in more detail in a later section of this report.

License No. SMA-1018 was issued on December 15, 1969, pursuant to 10 CFR part 40, and has been amended periodically since that time. The license authorized the possession and use of unsealed source material (natural thorium and natural uranium) contained in ores used for minerals processing and as a contaminant that was isolated by the processing of scrap metal. The Facility originally consisted of a plant and a slag waste storage area. In 1974, the Licensee ceased licensed operations at the Facility, and initiated decommissioning of plant equipment and buildings. Waste slag, raw materials, feed-metal scrap, and contaminated building materials that were generated from the decontamination activities were placed in the slag storage area. The portion of the property housing the plant was released for unrestricted use in 1975, following the performance of a confirmatory survey by the NRC. An additional plant building was decommissioned in 1983 and released for unrestricted use in 1985. The plant is an active facility under a new owner (Greenville Metals), who is not associated with the Licensee. Greenville Metals processes and refines scrap and other metals to produce metal alloys and conversion products. Greenville Metals does not utilize NRC-licensed radioactive material, and is separated from the Whittaker property by metal fencing.

The current Facility consists of the slag area, located on an irregularly-shaped, 5.9 acre strip of land, that is characterized by four sections according to topography and site use. Facility topography (prior to the initiation of decommissioning) had been built up through the repeated disposal of slag, scrap metal, debris, and foundry sand. The Facility is bordered by an access road to the north, Greenville Metals to the west and south, and the Shenango River to the east. The Facility is located within an industrial park. There are no buildings remaining (with the exception of temporary trailers supplied by the decommissioning contractor), and the surrounding area is primarily rural. In July 2004, the Licensee initiated decommissioning activities, involving excavation of the slag material and shipment to an authorized disposal facility.

The NRC has required the Licensee to monitor the current Facility for signs of erosion from the time when it was used only as a storage area for the radioactive slag material. The slag piles had reached elevations of 20 feet or more above the adjoining river flood plain. The proximity of the Facility to the river,

coupled with the steep slope of the slag piles were the initial motivation for implementing erosion controls to guard against offsite migration of contaminated material. When the Licensee commenced decommissioning activities, a more robust erosion control program was required. NRC approved the previous ESPCP revision with the most recent license renewal. The EA associated with that renewal was published in the **Federal Register** on September 16, 2005 (Volume 70, Number 179). The current and proposed ESPCPs describe the controls that are to be implemented during Phase 1 and Phase 2 of the Facility decommissioning operation. Phase 1 involved the removal of staged debris and slag from a concrete pad located on the Facility, and is complete. Phase 2 involves excavation and removal of slag material from other Facility areas, and is currently in progress.

The proposed ESPCP amendment involves excavation of material located within the site-delineated wetlands areas. As defined in the Clean Water Act (CWA), wetlands are, "those areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs and similar areas [Source: 40 CFR 230.3(t)]." Section 404 of the CWA establishes the program that regulates the discharge of material into U.S. waters, including wetlands. Activities within wetlands areas are evaluated and controlled through a permitting process, which grants approval of proposed actions. Significant activities are approved by individual permits. Activities that are determined to have minimal adverse effects may be granted a general permit. The program is developed and enforced by the U.S. Environmental Protection Agency (EPA) and is administered by the U.S. Army Corps of Engineers (ACE). State environmental agencies involvement may consist of assuming either the general permitting process or the entire permitting program. The Pennsylvania Department of Environmental Protection (PADEP) has assumed the authority for general permit reviews for proposed activities in wetlands within the Commonwealth.

The current ESPCP is a part of the Licensee's NRC license. Amendments to the ESPCP require an amendment to the license. The National Environmental Policy Act (NEPA) requires Federal agencies to consider the environmental impacts of actions under their

jurisdiction. Although the decommissioning activities described in the proposed ESPCP do not differ from those already approved by the NRC in the licensee's current operating procedures, their application to Facility wetlands areas requires NRC to perform this assessment of the environmental impacts of the proposed action.

Need for the Proposed Action

The Licensee is no longer using licensed materials at the Facility, and has initiated site decommissioning. The Licensee is preparing a formal Decommissioning Plan (DP) that will describe the methods and procedures to complete decommissioning activities, and will submit the DP as a separate amendment request. Until the NRC approves the Licensee's DP, decommissioning activities must be performed in accordance with NRC-approved procedures. This amendment request involves such a procedure and the action allows the licensee to continue site cleanup activities until the DP is approved. In accordance with 10 CFR 20.1402, a site may be considered for unrestricted release if the residual radioactivity results in a total effective dose equivalent (TEDE) that does not exceed 25 millirem per year (mrem/yr). To meet this dose criterion, the Licensee must remediate (decommission) the Facility by removing and appropriately disposing of radioactive materials that result in a TEDE that is greater than 25 mrem/yr. The Licensee identified that radioactive materials are present in the subsurface soils of Facility wetlands areas. Removal of these materials is necessary to effect Facility decommissioning. The Licensee will follow the proposed ESPCP to provide protection to the affected wetlands and waterway while removing this material.

Environmental Impacts of the Proposed Action

Both the previous and the proposed ESPCP revisions provide a brief description of the site, its history and current activities, and topography and soil makeup. There is also no change to the method for preventing sediments generated from storm water runoff from entering the wetlands areas and the Shenango River. Installed silt fencing at the base of the slag pile slopes remains the control method for this situation. The fencing in some locations is 30-inch filter fabric reinforced with staked straw bales and 33-inch filter fabric supported by chain link fence in other locations. In addition to the silt fencing, which will remain installed both during and in-between excavation activities, weekly site walkdowns are performed during

active excavation campaigns. The walkdowns include inspection and maintenance of the silt fencing and removal of any built up debris or sediment from the base of the fencing. Any necessary repairs to the fencing are reported to the appropriate Commonwealth agency. During periods of Facility inactivity (i.e., winter shut-down), the site walkdowns are performed monthly. The proposed action does not involve a change to the silt fencing use or design, or to the site walkdowns.

The current ESPCP describes the delineation of Facility wetlands and certifies that slag and material removal from these areas will be performed by hand (i.e., heavy equipment will not be used and excavations will not be involved). The current ESPCP does allow for material excavation using heavy equipment within the Facility floodway areas, and specifies that such activities will only remove material from the floodway, and will not add any. The current ESPCP was submitted to the PADEP as a section of the Facility Restoration Plan, which was provided to meet the Commonwealth's requirements for approving Facility activities. The Commonwealth approved the current ESPCP and determined that the proposed activities had no significant environmental impacts, and qualified for a waiver from the permit requirements in accordance with 25 PA Code 105.12. NRC approved the current ESPCP as part of the most recent license renewal, as described previously in this report.

The proposed activity amends the ESPCP to allow for excavation of material from within the Facility-delineated wetlands. The proposed ESPCP states that soil borings may be obtained from within this area using a boring machine, so that the soil may be analyzed for the presence of radioactive material. In addition, excavation of material within this area may be performed, and some trees removed so that radioactive slag within the root systems may be accessed and disposed. The ESPCP proposes to minimize the environmental impacts from these activities by: Extending the silt fencing to contain these areas; setting up the excavating equipment in non-wetlands areas and, to the extent possible, extending the reach of the arm so that only the bucket impacts the wetlands (i.e., rather than driving an excavator truck over the wetlands soil); and minimizing the amount of soil removed from the wetlands. The proposed ESPCP commits that the Licensee will restore the wetland, floodway, and riverbank upon completion of slag removal. The

specific restoration activities will require PADEP approval and will be provided in a later ESPCP revision.

The Licensee submitted the proposed ESPCP to PADEP as a revision to the Facility Restoration Plan. PADEP approved the revision on April 19, 2006, and again determined that the proposed activities qualify for a waiver from the permitting requirements.

The NRC staff has determined that the proposed activity will have a minimal effect on environmental resources. The activities described in the proposed ESPCP involve removal of material from within Facility wetlands areas, but the amount of material and the impact to these areas will be minimized to the extent possible. Additionally, the proposed activity provides for the use of engineering barriers (silt fencing) to prevent migration of sediment and contaminants into the river. The proposed activity involves only the removal of soil and slag material. The Licensee will not be adding material to the wetlands or waterway under this proposed action. Based on its review, the staff concludes that the proposed action will not have a significant effect on the quality of the human environment.

Environmental Impacts of the Alternatives to the Proposed Action

The only alternative to the proposed action is the no-action alternative, under which the staff would deny the amendment request for the proposed ESPCP. This alternative would result in no environmental impacts, but would prohibit the removal of contaminated material from the Facility wetlands areas. This no-action alternative is not feasible because it conflicts with 10 CFR 20.1402, requiring licensees to verify that residual radioactivity meets the radiological unrestricted release criteria. The Licensee may not be able to meet the unrestricted release criteria if the material in these areas is not removed from the Facility and appropriately disposed. Additionally, denying the amendment request would prevent the Licensee from completing decommissioning in the timeframe required by 10 CFR 40.42(h). The environmental impacts of the proposed action are not significant, and the no-action alternative is accordingly not further considered.

Conclusion

The NRC staff has concluded that the proposed action is consistent NRC guidance and regulations. Because the proposed action will not significantly impact the quality of the human environment, the NRC staff concludes

that the proposed action is the preferred alternative.

Agencies and Persons Consulted

NRC provided a draft of this Environmental Assessment to PADEP for review on June 9, 2006. On June 14, 2006, PADEP responded by email that PADEP staff involved with both radiation protection and with watershed management reviewed the EA. PADEP agreed with the conclusions of the EA, and otherwise had no comments.

The NRC staff has determined that the proposed action is of a procedural nature, and will not affect listed species or critical habitat. Therefore, no further consultation is required under Section 7 of the Endangered Species Act. The NRC staff has also determined that the proposed action is not the type of activity that has the potential to cause effects on historic properties. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

III. Finding of No Significant Impact

The NRC staff has prepared this EA in support of the proposed action. On the basis of this EA, the NRC finds that there are no significant environmental impacts from the proposed action, and that preparation of an environmental impact statement is not warranted. Accordingly, the NRC has determined that a Finding of No Significant Impact is appropriate.

IV. Further Information

Documents related to this action, including the application for license amendment and supporting documentation, are available electronically at the NRC's Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. From this site, you can access the NRC's Agencywide Document Access and Management System (ADAMS), which provides text and image files of NRC's public documents. The documents related to this action are listed below, along with their ADAMS accession numbers.

1. Amendment request with Erosion and Sediment Pollution Control Plan Revision 2, dated May 24, 2006 (ML061570151);

2. Title 25, Pennsylvania Code, Chapter 105, "Dam Safety and Waterway Management;"

3. Title 40, Code of Federal Regulations, Part 230, Section 404(b)(1), "Guidelines for Specification of Disposal Sites for Dredged or Fill Material;"

4. Title 10, Code of Federal Regulations, Part 20, Subpart E,

"Radiological Criteria for License Termination;"

5. Title 10, Code of Federal Regulations, Part 40, "Domestic Licensing of Source Material;"

6. Title 10, Code of Federal Regulations, Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions;"

If you do not have access to ADAMS, or if there are problems in accessing the documents located in ADAMS, contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov. These documents may also be viewed electronically on the public computers located at the NRC's PDR, O 1 F21, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852. The PDR reproduction contractor will copy documents for a fee.

Dated at King of Prussia, Pennsylvania, this 25th day of July.

For the Nuclear Regulatory Commission.
Marie Miller,

Chief, Decommissioning Branch, Division of Nuclear Materials Safety, Region I.

[FR Doc. E6-12515 Filed 8-2-06; 8:45 am]

BILLING CODE 7590-01-P

POSTAL RATE COMMISSION

[Docket No. MC2006-6; Order No. 1472]

Extension of Negotiated Service Agreement

AGENCY: Postal Rate Commission.

ACTION: Notice and order.

SUMMARY: This document informs the public that the Postal Service is seeking approval of a one-year extension of the negotiated service agreement with Capital One Services, Inc. The document describes the agreement, identifies certain preliminary decisions, and addresses procedural steps, including key deadlines.

DATES: 1. August 14, 2006: Deadline for intervention, statements identifying issues requiring a hearing, and objections to rule 197 treatment.

2. August 15, 2006: Prehearing conference.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, general counsel, at 202-789-6820.

Procedural History

Capital One Services, Inc. Negotiated Service Agreement, 67 FR 61355 (September 30, 2002).

On July 26, 2006, the United States Postal Service filed a request seeking a recommended decision from the Postal Rate Commission approving a one-year extension of the negotiated service agreement with Capital One Services, Inc.¹ The Capital One negotiated service agreement was first recommended by the Commission on May 15, 2003,² and ordered into effect for a period of three years ending September 1, 2006, by the United States Postal Service Board of Governors.³ The Request, which includes seven attachments, was filed pursuant to chapter 36 of the Postal Reorganization Act, 39 U.S.C. 3601 *et seq.*⁴ The Postal Service asks that this case proceed under the Commission's rules for requests to renew previously recommended negotiated service agreements with existing participants. Rule 197 [39 CFR 3001.197].

The Postal Service has identified Capital One Services, Inc. (Capital One), along with itself, as parties to the negotiated service agreement. This identification serves as notice of intervention by Capital One. It also indicates that Capital One shall be considered a co-proponent, procedurally and substantively, of the Postal Service's Request during the Commission's review of the negotiated service agreement. Rule 191(b) [39 CFR 3001.191(b)].

In support of the direct case, the Postal Service has filed Direct Testimony of Jessica Lowrance on

¹ Request of the United States Postal Service for a Recommended Decision to Extend the Duration of the Previously Recommended Negotiated Service Agreement with Capital One, July 26, 2006 (Request).

² PRC Op. MC2002-2, May 15, 2003.

³ Decision of the Governors of the United States Postal Service on the Opinion and Recommended Decision of the Postal Rate Commission Recommending Experimental Rate and Service Changes to Implement Negotiated Service Agreement with Capital One, Docket No. MC2002-2, June 2, 2003.

⁴ Attachment A to the Request contains proposed changes to the Domestic Mail Classification Schedule; Attachment B contains the current rate schedules, which have not been modified from Docket No. MC2002-2; Attachment C is a certification required by Commission rule 193(i) specifying that the cost statements and supporting data submitted by the Postal Service, which purport to reflect the books of the Postal Service, accurately set forth the results shown by such books; Attachment D is an index of testimony and exhibits; Attachment E is a compliance statement addressing satisfaction of various filing requirements; Attachment F is a copy of the amendment to the Negotiated Service Agreement and the Negotiated Service Agreement itself; and Attachment G contains the decision of the Governors for the original Negotiated Service Agreement.

Behalf of the United States Postal Service, July 26, 2006 (USPS-T-1). The Request further relies on record evidence entered in Docket No. MC2002-2. The Postal Service's Compliance Statement, Request Attachment E, identifies the Docket No. MC2002-2 material on which it proposes to rely.

Rule 197(b) [39 CFR 3001.197(b)] requires the Postal Service to provide written notice of its Request, either by hand delivery or by First-Class Mail, to all participants in the Commission docket established to consider the original agreement, Docket No. MC2002-2. This requirement permits an abbreviated intervention period by providing additional time for the most likely participants to decide whether or not to intervene. A copy of the Postal Service's notice was filed with the Commission on July 26, 2006.⁵

The Postal Service submitted a contemporaneous filing requesting the expedited issuance of a recommended decision.⁶ The Motion further requests that participants in this docket accompany their notices of intervention with detailed pleadings responding to an order to show cause why the term extension should not be recommended as proposed.

The Postal Service's Request, the accompanying testimony of witness Lowrance (USPS-T-1), the original Docket No. MC2002-2 material, and other related material are available for inspection at the Commission's docket section during regular business hours. They also can be accessed electronically, via the Internet, on the Commission's Web site (<http://www.prc.gov>).

I. Background: The Capital One Negotiated Service Agreement, Recommended in Docket No. MC2002-2

The Capital One negotiated service agreement includes two significant mail service features that form the bases of the agreement—an address correction service feature, and a declining block rate volume discount feature.

The address correction service feature provides Capital One, at certain levels of volume, electronic address corrections without fee for First-Class Mail solicitations that are undeliverable as addressed (UAA). In return for receipt of

electronic address correction, Capital One will no longer receive physical return of its UAA First-Class solicitation mail that cannot be forwarded. Capital One will also be required to maintain and improve the address quality for its First-Class Mail. PRC Op. MC2002-2, para. 2004.

Use of the address correction service feature is a prerequisite to use of the second feature of the negotiated service agreement, a declining block rate volume discount. This feature provides Capital One with a per-piece discount for bulk First-Class Mail volume above an annual threshold volume. The per-piece discount varies from 3 to 6 cents under a “declining-block” rate structure.

The Commission's analysis of the Capital One negotiated service agreement focused on assuring that the agreement would not make mailers other than Capital One worse off. *Id.*, para. 8006. To meet this condition, the Commission's recommendation of the Capital One negotiated service agreement included the addition of a provision establishing a cumulative three-year stop-loss limit on rate discounts of \$40.637 million. *Id.*, paras. 5116, 8011. The Commission found that the estimates of before-rates volumes for Capital One were so unreliable that without a stop-loss provision there would be no reasonable assurance that the Postal Service would not lose money on the Capital One negotiated service agreement. *Id.*, para. 8013.

II. The Request to Extend the Duration of the Capital One Negotiated Service Agreement

The Postal Service proposes to extend the duration of the ongoing negotiated service agreement with Capital One by one year while the parties develop a new negotiated service agreement to be filed in the upcoming year. The Postal Service asserts that the Capital One negotiated service agreement has proven successful, benefiting both the Postal Service and the mailing community as a whole. The Postal Service and Capital One propose no other modifications to the currently in effect negotiated service agreement and indicate their intent to terminate the ongoing agreement once a subsequent agreement is reached. Request Attachment F at 2.

The Postal Service states that it is probable that no discounts will be earned in the third year of the agreement, but continuation of the agreement will serve two policy objectives. First, Capital One will be provided with an incentive to increase solicitations during the extension period. Second, Capital One will

maintain its contractual obligation to employ worksharing practices related to Address Correction Service (ACS) as well as its agreement to participate in mail quality programs.

The Postal Service asserts that the value from extending the current agreement will primarily occur from the use of electronic ACS notices to replace manual notices. The estimated savings from marketing pieces converted to electronic ACS notices in the extension period is \$5.1 million. USPS-T-1 at 6.

III. Commission Response

Applicability of the rules for requests to renew previously recommended negotiated service agreements. For administrative purposes, the Commission has docketed the instant filing as a request predicated on the extension of a previously recommended negotiated service agreement which is currently in effect. A final determination regarding the appropriate characterization of the request and application of the expedited rules, rule 197 [39 CFR 3001.197], will not be made until after the prehearing conference.

Representation of the general public. In conformance with section 3624(c) of title 39, the Commission designates Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate, to represent the interests of the general public in this proceeding. Pursuant to this designation, Ms. Dreifuss will direct the activities of Commission personnel assigned to assist her and, upon request, will supply their names for the record. Neither Ms. Dreifuss nor any of the assigned personnel will participate in or provide advice on any Commission decision in this proceeding.

Intervention. Those wishing to be heard in this matter are directed to file a notice of intervention on or before August 14, 2006. The notice of intervention shall be filed using the Internet (Filing Online) at the Commission's Web site (<http://www.prc.gov>), unless a waiver is obtained for hardcopy filing. Rules 9(a) and 10(a) [39 CFR 3001.9(a) and 10(a)]. Notices should indicate whether participation will be on a full or limited basis. *See* rules 20 and 20a [39 CFR 3001.20 and 20a]. No decision has been made at this point on whether a hearing will be held in this case.

Prehearing conference. A prehearing conference will be held August 15, 2006, at 2 p.m. in the Commission's hearing room. Participants shall be prepared to address whether or not it is appropriate to proceed under rule 197 [39 CFR 3001.197], and to identify any issue(s) that would indicate the need to

⁵ Notice of the United States Postal Service of Filing Request for a Recommended Decision to Extend the Duration of the Previously Recommended Negotiated Service Agreement with Capital One, July 26, 2006.

⁶ Motion of the United States Postal Service for Expedited Issuance of a Recommended Decision, July 26, 2006 (Motion).

schedule extended discovery or a hearing. Rule 197(c) [39 CFR 3001.197(c)].

Participants intending to object to proceeding under rule 197 [39 CFR 3001.197] shall file supporting written argument, if any, by August 14, 2006. Participants also shall file statements identifying issues that would indicate the need to schedule a hearing by August 14, 2006. The Commission intends to make a decision on these issues shortly after the prehearing conference.

Motion for expedition. The Postal Service's motion for expedition and to show cause is denied. Rule 197(d) [39 CFR 3001.197(d)] already provides for expedited treatment of requests to renew negotiated service agreements. Likewise, rule 197(c) [38 CFR 3001.197(c)] already requires participants to plead whether or not any material issues of fact exist that require discovery or evidentiary hearings at the time of the prehearing conference.

Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. MC20056-6 to consider the Postal Service Request referred to in the body of this order.

2. The Commission will sit *en banc* in this proceeding.

3. Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate, is designated to represent the interests of the general public.

4. The deadline for filing notices of intervention is August 14, 2006.

5. A prehearing conference will be held August 15, 2006 at 2 p.m. in the Commission's hearing room.

6. Participants shall file statements identifying issues that would indicate the need to schedule a hearing, or objections to proceeding under rule 197 [39 CFR 3001.197] by August 14, 2006.

7. The Motion of the United States Postal Service for Expedited Issuance of a Recommended Decision, filed July 26, 2006, is denied.

8. The Secretary shall arrange for publication of this notice and order in the **Federal Register**.

Issued: July 27, 2006.

By the Commission.

Steven W. Williams,

Secretary.

[FR Doc. 06-6653 Filed 8-2-06; 8:45 am]

BILLING CODE 7710-FW-M

RAILROAD RETIREMENT BOARD

Proposed Collection; Comment Request

SUMMARY: In accordance with the requirement of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 which provides opportunity for public comment on new or revised data collections, the Railroad Retirement Board (RRB) will publish periodic summaries of proposed data collections.

Comments are invited on: (a) Whether the proposed information collection is necessary for the proper performance of the functions of the agency, including whether the information has practical utility; (b) the accuracy of the RRB's estimate of the burden of the collection of the information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden related to the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Title and purpose of information collection: Job Information Report, OMB 3220-0193. In July of 1997, the Railroad Retirement Board (RRB) adopted standards for the adjudication of occupational disabilities under the Railroad Retirement Act (RRA). As part of these standards, the RRB requests job information to determine an applicant's eligibility for an occupational disability. The job information received from the railroad employer and railroad employee is compared, reconciled (if needed), and then used in the occupational disability determination process. The process of obtaining information from railroad employers used to determine an applicant's eligibility for an occupational disability is outlined in 20 CFR 220.13.

To determine an occupational disability, the RRB determines if an employee is precluded from performing the full range of duties of his or her regular railroad occupation. This is accomplished by comparing the restrictions on impairment(s) causes against an employee's ability to perform his/her normal duties. To collect information needed to determine the effect of a disability on an applicant's ability to work, the RRB needs the applicant's work history. The RRB currently utilizes Form G-251, *Vocational Report* (OMB 3220-0141), to obtain this information from the employee applicant.

Note: Form G-251 is provided to all applicants for employee disability annuities and to those applicants for a widow(er)'s

disability annuity who indicate that they have been employed at some time.

In accordance with the standards, the RRB also requests pertinent job information from employers. The employer is given thirty days from the date of the notice to respond. The responses are not required, but are voluntary. If the job information is received timely, it is compared to the job information provided by the employee. Any material differences are resolved by an RRB disability examiner. Once resolved, the information is compared to the restrictions caused by the medical impairment. If the restrictions prohibit the performance of the regular railroad occupation, the claimant is found occupationally disabled.

The RRB uses two forms to secure job information data from the railroad employer. RRB Form G-251a, *Employer Job Information (job description)*, is released to an employer when an application for an occupational disability is filed by an employee whose regular railroad occupation is one of the more common types of railroad jobs (locomotive engineer, conductor, switchman, etc.) It is accompanied by a *generic job description* for that particular railroad job. The generic job descriptions describe how these select occupations are generally performed in the railroad industry. However, not all occupations are performed the same way from railroad to railroad. Thus, the employer is given an opportunity to comment on whether the job description matches the employee's actual duties. If the employer concludes that the generic job description accurately describes the work performed by the applicant, no further action will be necessary. If the employer determines that the tasks are different, it may provide the RRB with a description of the actual job tasks. The employer has thirty days from the date the form is released to reply.

Form G-251b, *Employer Job Information (general)*, is released to an employer when an application for an RRB occupational disability is filed by an employee whose regular railroad occupation does not have a generic job description. It notifies the employer that the employee has filed for a disability annuity and that, if the employer wishes, it may provide the RRB with job duty information. The type of information the RRB is seeking is outlined on the form. The employer has thirty days from the date the form is released to reply.

The RRB proposes no changes to Forms G-251a and G-251b.

The completion time for Form G-251a and G-251b is estimated at 20 minutes. Completion is voluntary. The RRB estimates that approximately 125 G-251a's and 305 G-251b's are completed annually.

Additional Information Or Comments: To request more information or to obtain a copy of the information collection justification, forms, and/or supporting material, please call the RRB Clearance Officer at (312) 751-3363 or send an e-mail request to Charles.Mierzwa@RRB.GOV. Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611-2092 or send an e-mail to Ronald.Hodapp@RRB.GOV. Written comments should be received within 60 days of this notice.

Charles Mierzwa,
Clearance Officer.

[FR Doc. E6-12560 Filed 8-2-06; 8:45 am]

BILLING CODE 7905-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54227; File No. SR-Amex-2006-65]

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 Thereto Relating to the Suspension of Transaction Charges for Specialist Orders in the Nasdaq-100 Tracking Stock® (QQQQ)

July 27, 2006.

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 July 13, 2006, the American Stock Exchange LLC ("Amex" or "Exchange") submitted to the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by Amex. On July 25, 2006, the Exchange submitted Amendment No. 1 to the proposed rule change.³ Amex has designated the proposal as one establishing or changing

a due, fee, or other charge imposed by the Exchange pursuant to Section 19(b)(3)(A)(iii) of the Act⁴ and Rule 19b-4(f)(2) thereunder,⁵ which renders it effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the Amex Exchange Traded Funds and Trust Issued Receipts Fee Schedule (the "ETF Fee Schedule") to suspend transaction charges for specialist orders in connection with the trading of the Nasdaq-100 Index Tracking Stock® (Symbol: QQQQ) from July 13, 2006 through August 31, 2006. The text of the proposed rule change is available on Amex's Web site (<http://www.amex.com>), at Amex's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Amex included statements concerning the purpose of, and basis for, the proposed rule change, as amended, and discussed any comments it received on the proposal. 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 proposes to suspend transaction charges for specialist orders in the QQQQ from July 13, 2006 through August 31, 2006. The previous suspension of specialist transaction charges in the QQQQ terminated on June 30, 2006.

Specialist orders currently are charged \$0.0034 (\$0.34 per 100 shares), capped at \$300 per trade (88,235 shares). Effective December 1, 2004, the Nasdaq-100 Index Tracking Stock® formerly "QQQ," transferred its listing from Amex to the Nasdaq Stock Market, Inc. It now trades on Nasdaq under the symbol QQQQ. After the transfer, Amex

began trading QQQQ on an unlisted trading privileges basis. Amex previously suspended the transaction charges of specialist orders in connection with the QQQQ through June 30, 2006.⁶

The Exchange asserts that the proposed suspension of transaction fees for specialist orders in connection with the QQQQ is consistent with Section 6(b)(4) of the Act.⁷ Specifically, the Exchange believes that the proposal provides for an equitable allocation of reasonable fees among Exchange members largely based on the fact that a specialist has greater obligations than other members and are also subject to other Exchange fees, in addition to transaction fees.

In connection with the proposal to suspend or waive transaction fees for specialist orders in the QQQQ, the Exchange notes that specialists are subject to a variety of Exchange fees other than transaction charges. For example, the Exchange imposes floor fees solely on specialists such as a floor clerk fee, a floor facility fee, a post fee, and a registration fee.⁸ In addition, for those members on the floor of the Exchange, a technology fee and membership fees are also charged by the Exchange.⁹ Certain market participants, such as customers, non-member broker-dealers and market-makers, and member broker-dealers are not subject to the majority of these fees. In addition, a specialist unit, in order to adequately "make a market" in assigned securities, must be sufficiently staffed¹⁰ and have adequate technology resources to handle the volume of orders (especially in the QQQQ) that are sent to the Exchange. The Exchange believes that these operational costs borne by a specialist further support the Exchange's proposal to temporarily suspend QQQQ transaction fees on specialist orders.

Specialists have certain obligations required by Exchange rules, as well as

⁶ See, e.g., Securities Exchange Act Release No. 53701 (April 21, 2006), 71 FR 25253 (April 28, 2006).

⁷ Section 6(b)(4) states that the rules of a national securities exchange must provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities. 15 U.S.C. 78f(b)(4).

⁸ The floor clerk, floor facility, post, and registration fees, on an annual basis, are \$900, \$2,400, \$1,000 and \$800, respectively.

⁹ A technology fee of \$6,000 per year is assessed on all specialists and other floor participants at the Exchange. Annual membership dues of \$1,500 must be paid by all members while annual membership fees are payable depending on the type of membership and circumstances. Non-members are not subject to these fees.

¹⁰ See Securities Exchange Act Release No. 53386 (February 28, 2006), 71 FR 11250 (March 6, 2006) (requiring specialists to employ an adequate number of clerks).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the Exchange altered the proposed rule text to reflect that the transaction charges have been suspended in the Nasdaq-100 Index Tracking Stock (QQQQ) from July 13, 2006 (rather than July 10, 2006), through August 31, 2006, for specialist orders. The Exchange made corresponding changes to the Purpose section. The Exchange also changed a reference to the annual technology fee in the Purpose section.

⁴ 15 U.S.C. 78s(b)(3)(A)(iii).

⁵ 17 CFR 240.19b-4(f)(2).

the Act, that do not exist for other market participants. For example, pursuant to Amex Rule 170, a specialist is required to maintain a fair and orderly market in his or her assigned securities. Other members of the Exchange, as well as non-member market participants, do not have this obligation. As a result, the Exchange believes that the proposed suspension of transaction charges for specialist orders in the QQQQ is reasonable and equitable, given the obligations that specialists must adhere to in making markets. The Exchange further submits that the fee suspension will provide greater incentive to the specialist to continue to provide market liquidity, rendering the Exchange an attractive venue for market participants to execute orders.

2. Statutory Basis

The Exchange believes that the proposed rule change, as amended, is consistent Section 6(b) of the Act,¹¹ in general, and furthers the objectives of Section 6(b)(4) of the Act,¹² in particular, in that it is an equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities.

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

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

The foregoing rule change, as amended, has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act¹³ and subparagraph (f)(2) of Rule 19b-4¹⁴ thereunder because it establishes or changes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of such 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.¹⁵

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. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-Amex-2006-65 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-Amex-2006-65. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of Amex. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You

¹⁵ The effective date of the original proposed rule change is July 13, 2006, and the effective date of Amendment No. 1 is July 25, 2006. For purposes of calculating the 60-day period within which the Commission may summarily abrogate the proposed rule change, as amended, under section 19(b)(3)(C) of the Act, the Commission considers the period to commence on July 25, 2006, the date on which the Exchange submitted Amendment No. 1. See 15 U.S.C. 78s(b)(3)(C).

should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Amex-2006-65 and should be submitted on or before August 24, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁶

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-12524 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54225; File No. SR-BSE-2006-26]

Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change To Extend the Linkage Fee Pilot Program

July 27, 2006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 28, 2006, the Boston Stock Exchange, Inc. ("BSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II 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 and is approving the proposal on an accelerated basis for a pilot period through July 31, 2007.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The BSE proposes to amend the fee schedule of the Boston Options Exchange ("Fee Schedule"), the options trading facility of the BSE ("BOX"), to extend until July 31, 2007, the current pilot program applicable to the options intermarket linkage ("Linkage") fees and to make some technical changes to the Fee Schedule. The text of the proposed rule change is available on the BSE's Web site at (<http://www.bostonstock.com>), at the offices of the Exchange, and at the Commission's Public Reference Room.

¹⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

¹³ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁴ 17 CFR 240.19b-4(f)(2).

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange 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 III 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's fees for Principal ("P") and Principal Acting as Agent ("P/A") Orders³ executed on BOX currently operate under a pilot program scheduled to expire on July 31, 2006.⁴ The BSE proposes to extend the current pilot program for such Linkage fees through July 31, 2007. Because all Linkage Orders received by BOX are for the account of a market maker on another exchange, Linkage fees that are applicable to P and P/A Orders are the same as fees applicable to market makers on other exchanges that submit orders to BOX outside of Linkage. The side of a BOX trade opposite an inbound P or P/A Order would be billed normally as any other BOX trade. Consistent with the Linkage Plan, no fees will be charged to a party sending a Satisfaction Order to BOX. Rather, a fee will be charged to the BOX Options Participant that was responsible for the trade-through that caused the Satisfaction Order to be sent.

³ Under Chapter XII, Section 1(j) of the BOX Rules, a "Linkage Order" means an Immediate or Cancel order routed through Linkage. There are three types of Linkage Orders:

(i) "P/A Order," which is an order for the principal account of a Market Maker (or equivalent entity on another Participant Exchange that is authorized to represent Public Customer orders), reflecting the terms of a related unexecuted Public Customer order for which the Market Maker is acting as agent;

(ii) "P Order," which is an order for the principal account of a market maker (or equivalent entity on another Participant exchange) and is not a P/A Order; and

(iii) "Satisfaction Order," which is an order sent through the Linkage to notify a Participant Exchange of a Trade-Through and to seek satisfaction of the liability arising from that Trade-Through.

⁴ See Securities Exchange Act Release No. 52147 (July 28, 2005) 70 FR 44706 (August 3, 2005) (SR-BSE 2005-28).

The BSE believes that extending the Linkage fee pilot program until July 31, 2007 will give the Exchange and the Commission additional time and opportunity to evaluate the appropriateness of Linkage fees.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁶ in particular, in that the proposed rule change provides for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities.

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 neither solicited nor received comments on this proposed rule change.

III. 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. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-BSE-2006-26 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-BSE-2006-26. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will

post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-BSE-2006-26 and should be submitted on or before August 24, 2006.

IV. Commission's Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful consideration, 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,⁷ and, in particular, the requirements of Section 6(b) of the Act⁸ and the rules and regulations thereunder. The Commission finds that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁹ which requires that the rules of the Exchange provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities. The Commission believes that the extension of the Linkage fee pilot until July 31, 2007 will give the Exchange and the Commission further opportunity to evaluate whether such fees are appropriate.

The Commission finds good cause, pursuant to Section 19(b)(2) of the Act,¹⁰ for approving the proposed rule change prior to the thirtieth day after publication of notice thereof in the

⁷ In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4).

¹⁰ 15 U.S.C. 78s(b)(2).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

Federal Register.¹¹ The Commission believes that granting accelerated approval of the proposed rule change will preserve the Exchange's existing pilot program for Linkage fees without interruption as the Exchange and the Commission further considers the appropriateness of Linkage fees.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹² that the proposed rule change (SR-BSE-2006-26) is hereby approved on an accelerated basis for a pilot period to expire on July 31, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-12525 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54229; File No. SR-CBOE-2005-90]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Order Granting Approval of a Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval to Amendments No. 1, 2, and 3 Thereto To Adopt a Simple Auction Liaison System to Auction Qualifying Marketable Orders for Potential Price Improvement

July 27, 2006.

I. Introduction

On October 26, 2005, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC"), 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 seeking to amend its rules to adopt a Simple Auction Liaison ("SAL") system to auction qualifying inbound orders for potential price improvement.

The proposed rule change was published in the **Federal Register** on

November 29, 2005.³ The Commission received two comment letters on the proposed rule change.⁴ The Exchange responded to the comments, in part, on January 26, 2006.⁵ On March 2, 2006, the Exchange submitted Amendment No. 1 to the proposed rule change ("Amendment No. 1");⁶ on May 25, 2006, the Exchange submitted Amendment No. 2 to the proposed rule change ("Amendment No. 2");⁷ and on May 31, 2006, the Exchange submitted Amendment No. 3 to the proposed rule change ("Amendment No. 3").⁸ This order approves the proposed rule change; issues notice of, and solicits comments on, Amendments No. 1, 2, and 3; and approves the amendments on an accelerated basis.

II. Description of the Proposed Rule Change

The Exchange proposes to amend its rules to implement SAL, a penny auction system for price improvement over the NBBO for eligible inbound orders, and to clarify the Exchange's policy of automatically executing

eligible orders in a crossed market when the Exchange is at the NBBO.

SAL would automatically initiate an auction process for any order that is eligible for automatic execution by the Hybrid System ("Agency Order"), unless the Exchange's disseminated quotation on the opposite side of the market from the Agency Order does not contain sufficient quotation size from CBOE Market-Makers to satisfy the entire Agency Order. SAL would stop the Agency Order at the NBBO against the market maker quotations displayed at the NBBO and would not allow such quotations to be cancelled or to move to an inferior price or size throughout the duration of the auction. The Agency Order would not be stopped against customer orders that are displayed at the NBBO because the Exchange does not have the ability to prevent a customer order from being cancelled or changed to an inferior price or size.

The auction would last for a period of time to be determined by the Exchange, but would not exceed two seconds. Auction responses would be permitted to be submitted by market makers with an appointment in the relevant option class and by CBOE Members acting as agent for orders resting at the top of the Exchange's book opposite the Agency Order. With respect to responses, the following would apply: (i) Responses would not be visible to other auction participants and would not be disseminated to the Options Price Reporting Authority ("OPRA"); (ii) responses would be submitted in one-cent increments (and not less than one-cent increments); (iii) multiple responses would be allowed; (iv) responses would be permitted to be cancelled prior to the conclusion of the auction; and (v) responses would not be permitted to cross the Exchange's disseminated quotation on the opposite side of the market.

At the conclusion of the auction period, the Agency Order would be executed at the best auction response prices and could be executed at multiple prices, if necessary. The Agency Order would be allocated in two rounds at each price point. Participation in the first round (the "First Allocation Round") would be limited to those parties that constituted the Exchange's NBBO quote (on the side of the market opposite the Agency Order) at the time the SAL auction commenced ("Original Quoters"). During the First Allocation Round: (i) The Agency Order would be allocated pursuant to the matching algorithm in effect for the class under CBOE Rules 6.45A or 6.45B, as appropriate; (ii) an Original Quoter would be permitted to participate in a

³ See Securities Exchange Act Release No. 52823 (November 22, 2005), 70 FR 71565 (November 29, 2005).

⁴ See letters to Jonathan G. Katz, Secretary, Commission, from Matthew B. Hinerfield, Managing Director and Deputy General Counsel, Citadel Investment Group, L.L.C. ("Citadel"), dated December 19, 2005 ("Citadel Letter") and Will Easley, Senior Managing Director, Boston Options Exchange Group LLC, dated December 22, 2005 ("BOX Letter").

⁵ See letter to Nancy Morris, Secretary, Commission, from Angelo Evangelou, Assistant General Counsel, Legal Division, Exchange, dated January 26, 2006 ("Response Letter").

⁶ In Amendment No. 1, the Exchange further responds to comments, clarifies the way the proposed rule would work in practice, and proposes to revise the rule text. The proposed revisions submitted in Amendment No. 1 include a provision stating that SAL would not allow market maker quotes comprising the National Best Bid or Offer ("NBBO") to be cancelled during an auction, provisions describing how orders would be executed in the event a SAL auction terminates early because of a quote lock or a response that matches the Exchange's disseminated quote on the opposite side of the market from the response, and several other minor clarifications of the proposed rule text.

⁷ In Amendment No. 2, the Exchange proposes amendments to the rule text to clarify that the Exchange will submit eligible orders for SAL auctioning and automatically execute eligible orders even if the Exchange's disseminated market is crossed by, or crosses, the disseminated market of another options exchange, provided that the Exchange is at the NBBO for the relevant side of the market.

⁸ In Amendment No. 3, the Exchange proposes an amendment to the text of its order protection rule to add an exception to trade-through liability in the case of a trade-through that results from an automatic execution when the Exchange's disseminated market is the NBBO and is crossed by, or crosses, the disseminated market of another options exchange. See *infra* Part II for a complete discussion of the proposed rule change, as amended.

¹¹ BSE requested that the Commission find good cause, pursuant to Section 19(b)(2) of the Act, for approving the proposed rule change prior to the thirtieth day after publication of notice thereof in the **Federal Register**. Telephone conversation between Bill Meehan, General Counsel, BSE, and Ronesha A. Butler, Special Counsel, Division of Market Regulation, Commission on July 24, 2006.

¹² *Id.*

¹³ 17 CFR 200.30-3(a)(12).

¹⁴ 15 U.S.C. 78s(b)(1).

¹⁵ 17 CFR 240.19b-4.

First Allocation Round at each allocation price only up to its size at the NBBO at the time the auction commenced; and (iii) if the applicable matching algorithm includes a participation entitlement, then market makers that would have qualified for a participation entitlement at the NBBO price would receive a participation entitlement in a First Allocation Round if they match the execution price for that round.

If an Agency Order were not fully executed during the First Allocation Round, then a second round ("Second Allocation Round") would occur at the same price point. During the Second Allocation Round, there is no participation right, and all responses received during the auction at the execution price of the immediately preceding First Allocation Round that were not eligible for that preceding round would participate in accordance with the matching algorithm in effect for the class. If the Agency Order were not fully allocated in the Second Allocation Round, then allocation of the Agency Order would proceed at the next best response price. To the extent that any portion of an Agency Order is executed at the NBBO price that was disseminated at the time the auction commenced, such execution will be effected against the participants at that NBBO price that were quoting at the time the auction commenced, using the matching algorithm in effect for the class, without regard as to whether any of those participants submitted responses in the auction.

The auction would conclude early under certain circumstances:

- First, if the Hybrid System receives an unrelated non-marketable limit order on the opposite side of the market from the Agency Order that improves any auction responses, the auction would conclude and the unrelated order would trade with the Agency Order (after any responses that were priced better than the unrelated order have traded) to the fullest extent possible at the midpoint of the best remaining auction response and the unrelated order's limit price (rounded towards the unrelated order's limit price when necessary).

- Second, if the Hybrid System receives an unrelated market or marketable limit order on the opposite side of the market from the Agency Order, the auction would conclude and the unrelated order would trade with the Agency Order to the fullest extent possible at the midpoint of the best auction response and the NBBO on the opposite side of the market from the auction responses (rounded towards the disseminated quote when necessary).

- Third, if the Hybrid System receives an unrelated order on the same side of the market as the Agency Order that is marketable against the NBBO, then the auction would conclude and the Agency Order would trade against the best auction responses.

- Fourth, any time there is a quote lock on the Exchange pursuant to CBOE Rule 6.45A(d) or CBOE Rule 6.45B(d), the auction would conclude. If the quote lock occurs at a price favorable to the Agency Order, then the Agency Order would trade against the quote lock interest to the fullest extent possible. If the quote lock is at a price that is inferior to the auction responses, then the Agency Order would trade against the best auction responses.⁹

- Fifth, any time a response matches the Exchange's disseminated quote on the opposite side of the market from the response, the auction would conclude. In this situation, if the disseminated quote on the opposite side of the market from the response does not contain a customer order, then the response would trade against the Agency Order. If it does contain a customer order, then, if there is sufficient size in the response to execute both orders, both orders would execute at that price. If not, then the Agency Order would execute against the response at one cent worse than the response price and any balance would trade against the customer order in the book at such order's limit price.¹⁰

The Exchange also proposes to adopt provisions providing that a pattern or practice of submitting unrelated orders that cause an auction to conclude early and disseminating information regarding auctioned orders to third parties would be deemed conduct inconsistent with just and equitable principles of trade and a violation of CBOE Rule 4.1 and other Exchange Rules.

Finally, the Exchange proposes to adopt provisions that clarify that the Exchange's Hybrid System will automatically execute eligible orders while the Exchange's disseminated market is crossed with the disseminated market of another exchange, provided that the Exchange is the NBBO for the relevant side of the market at the time the eligible order is received.¹¹ This situation might arise either with an automatic execution on Hybrid in connection with a SAL auction or with an automatic execution on Hybrid that is not eligible for SAL. A related proposed amendment to the Exchange's order protection rule adds an exception

to trade-through liability in cases where the trade-through was the result of an automatic execution when the Exchange's disseminated market is the NBBO and is crossed with the disseminated market of another exchange.¹²

The text of the changes proposed in Amendments No. 1, 2, and 3 is available on CBOE's Web site (<http://www.cboe.org/legal>), at CBOE's office of the Secretary, and at the Commission's Public Reference Room.

III. Discussion and Commission Findings

After careful review of the amended proposal and consideration of the comment letters and the Response Letter, the Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.¹³ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,¹⁴ which requires, among other things, that the rules of an exchange be 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 transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Section 6(b)(5) of the Act¹⁵ also requires that the rules of an exchange not be designed to permit unfair discrimination among customers, issuers, brokers, or dealers.

A. SAL Auctions

The Commission believes that approving the Exchange's proposal to establish SAL auctions should confer benefits to the public by providing the Exchange's customers with the opportunity for price improvement over the NBBO for qualifying orders, which would result in better executions for investors. The Commission also believes that access to the SAL auction for those eligible market participants who wish to compete for an Agency Order should be sufficient to provide opportunities for

¹² See Amendment No. 3, *supra* note 8.

¹³ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ *Id.*

⁹ See Amendment No. 1, *supra* note 6.

¹⁰ See *id.*

¹¹ See Amendment No. 2, *supra* note 7.

meaningful, competitive auctions, consistent with Section 3(f) of the Act.¹⁶ The Commission therefore finds, for the reasons discussed below, that the Exchange's proposal is consistent with the Act.

1. Transparency of the Auction

In its comment letter, Citadel argues that SAL would hinder price discovery because auction responses would not be disseminated to OPRA, and the true price and size of executions on CBOE would not be known to other market participants.¹⁷ In its Response Letter, CBOE states that the SAL auction is invisible to OPRA because OPRA does not accept penny quoting at this time, and the Exchange cannot disseminate quotations outside of OPRA that are superior to quotations provided to OPRA.¹⁸ In addition, CBOE states that responses to the SAL auction are blind in order to enhance price discovery. CBOE believes a blind auction will maximize the winning responses, providing greater price improvement for the Agency Order.¹⁹

The Commission notes that non-electronic auction responses in traditional open outcry floor auctions are not disseminated to OPRA by any market. The Commission has found these auctions consistent with the Act, notwithstanding that responses in open outcry are not disseminated to OPRA.²⁰ The Commission believes that the SAL auction is analogous to the open outcry auctions currently conducted on floor-based exchanges, where auction prices are not widely disseminated and are available only for the order that initiated the auction and other orders in the crowd at that particular time. Accordingly, the Commission finds the SAL auction to be consistent with the Act.

2. Eligibility of Orders for the Auction

BOX and Citadel both argue that the Exchange would be granted too much discretion under the proposal.²¹ Citadel argues that SAL would permit discrimination because the Exchange could determine which categories of orders may be entered into the auction for potential price improvement. Specifically, CBOE's Floor Procedure Committee could choose not to permit the orders of certain types of market participants—i.e., public customer

orders, non-market maker broker-dealer orders, and market maker broker-dealer orders—from being eligible for a SAL auction.²²

In response, CBOE states that the options markets have a long history of providing enhanced executions to some categories of orders over others (e.g., public customer orders over broker-dealer orders and market maker orders), and that SAL simply provides this same flexibility to the Exchange.²³ The Commission agrees that the options markets have, in certain circumstances, treated different categories of orders disparately, restricting, for example, the types of orders that may be executed via their automated facilities.²⁴ The proposed rule change would, similarly, permit the Exchange's Floor Procedure Committee to determine the types of market participants that would be eligible to have their orders auctioned for price improvement. The proposal would not, however, permit the Committee to discriminate among individual market participants of the same type (e.g., permit certain public customer orders but not others to be eligible for the SAL auction). In addition, the proposal would not permit the Committee to limit those who may enter auction responses; auction responses may be submitted by market makers with an appointment in the relevant option class and members acting as agent for orders resting at the top of the Exchange's book.

The Act does not prohibit exchange rules from discriminating; it requires only that the rules of an exchange not be designed to unfairly discriminate.²⁵ Therefore, the Commission finds that providing an Exchange committee with the discretion to determine the types of market participants provided the opportunity to have their orders automatically executed at a better price than the NBBO does not unfairly discriminate among market participants, and is consistent with the Act.

BOX commented that the SAL proposal fails to designate the orders that would be eligible to participate in

the auction or to describe how CBOE plans to communicate the eligibility criteria to the public.²⁶ In Amendment No. 1, CBOE clarifies that, prior to deploying SAL, it would announce via a regulatory circular all applicable parameters relating to order eligibility and auction duration.²⁷

The Commission believes that CBOE's announcement via regulatory circular of all applicable parameters relating to the conduct of auctions prior to deploying SAL should provide sufficient notice. Furthermore, the Commission has approved other rules that grant an exchange limited flexibility in determining the details of its market structure.²⁸ In this case, too, the Commission believes that granting the Exchange a limited degree of flexibility in the application of its rules is consistent with the Act.

3. Incentives for Aggressive Quoting

Citadel expressed its belief that SAL would discourage aggressive quoting and would raise baseline prices over time.²⁹ According to Citadel, market participants quoting at the NBBO would reserve the best prices not for display to the general market but for use in the SAL auction, and the NBBO would be set artificially wide of the "true" prices at which market makers are willing to trade.³⁰

In response, CBOE notes that SAL would encourage aggressive quoting at the NBBO by market makers because market makers at the NBBO would have allocation priority in the SAL auction.³¹ The First Allocation Round is open only to market makers and customers whose quotes or orders represented the Exchange's NBBO at the time the auction commenced.³² Consequently, it would be advantageous for market makers who plan to participate in SAL auctions to quote aggressively to be at the Exchange's NBBO and thus be eligible for participation in the First Allocation Round. CBOE notes that participation in the First Allocation Round is not a "participation right" or "market maker preference." Rather, CBOE believes, it is an incentive for participants to aggressively quote at the

¹⁶ 15 U.S.C. 78c(f).

¹⁷ See Citadel Letter, *supra* note 4, at 2.

¹⁸ See Response Letter, *supra* note 5, at 2.

¹⁹ See *id.*

²⁰ See CBOE Rule 6.74A(b)(1)(F); BOX Rules, Chapter V, Sec. 18(j); and ISE Rule 723(c).

²¹ See BOX Letter, *supra* note 4, at 2, and Citadel Letter, *supra* note 4, at 2.

²² See Citadel Letter, *supra* note 4, at 2.

²³ See Response Letter, *supra* note 5, at 2.

²⁴ See, e.g., American Stock Exchange LLC ("Amex") Rule 933(a) (stating only non broker-dealer customer orders shall be eligible for execution on Amex's Automatic Execution System, but that the Amex Floor Committee may allow broker-dealer orders on a case-by-case basis); and Philadelphia Stock Exchange ("Phlx") Rule 1080(b) and (c) (naming the types of orders eligible for entry into AUTOM and for automatic executions via AUTO-X; Phlx's Options Committee "may determine to accept additional types of orders as well as to discontinue accepting certain types of orders").

²⁵ 15 U.S.C. 78f(b)(5).

²⁶ See BOX Letter, *supra* note 4, at 2.

²⁷ See Amendment No. 1, *supra* note 6.

²⁸ See, e.g., CBOE Rules 6.45A and 6.45B (regarding allocation priority; exchange committee granted the flexibility to determine what rules of priority to apply for each class) and AMEX Rule 933 (Automatic Execution of Options Orders; exchange committee granted the flexibility to determine, on an issue-by-issue basis, what order types are eligible for Auto-Ex).

²⁹ See Citadel Letter, *supra* note 4, at 3.

³⁰ See *id.*

³¹ See Amendment No. 1, *supra* note 6.

³² See proposed CBOE Rule 6.13A(c)(i).

NBBO throughout the trading day, since those Original Quoters will have priority at each price point over participants who are not Original Quoters.³³ The Commission similarly believes that the proposed allocation algorithm should not discourage market makers from quoting aggressively on the Exchange and is consistent with the Act.

4. Compliance with the Quote Rule

Citadel raises a concern that SAL would increase risk and decrease aggressive quoting by freezing market maker NBBO quotes for the duration of the auction.³⁴ CBOE responds by noting that the stop feature is necessary to ensure market makers' compliance with firm quote obligations.³⁵ The Commission believes that the proposal to stop market maker NBBO quotes for the duration of the auction is designed to ensure compliance with Rule 602 under the Act,³⁶ known as the Commission's Quote Rule, and is consistent with the Act.

5. Opportunity for Market Manipulation

BOX comments that the proposed rule as originally filed was unclear, ambiguous, and provided excessive opportunities for price and market manipulation by market participants.³⁷ CBOE notes that manipulation causing early termination is possible with any auction, and points out that the proposed SAL rule prohibits such conduct.³⁸ The Commission believes that the proposed rule, as amended, provides sufficient clarity and guidelines. In addition, the Commission expects the Exchange to surveil and discipline its members for improper conduct, which would constitute a violation of Exchange rules,³⁹ as well as the Act and the rules thereunder.⁴⁰

6. Locked Markets

Finally, BOX questions both the rationale for terminating SAL early when an auction response locks CBOE's quote on the opposite side of the market and why the order that creates the quote lock would not be treated as an unrelated order and permitted to interact with the SAL auction.⁴¹ In Amendment No. 1, CBOE clarified that

if a quote lock on the Exchange terminates a SAL auction early at a price that is favorable to the auctioned order, then the auctioned order would trade at that price to the fullest extent possible.⁴² If the quote lock occurs at a price that is inferior to the auction responses, then the Agency Order would trade against the best auction responses.⁴³

B. Automatic Executions During Crossed Markets

In today's increasingly electronic marketplace, crossed markets reflect the number and speed of electronic quotations and the number of market makers submitting such quotations. The Commission believes that permitting automatic executions during crossed markets when the Exchange is at the NBBO for the relevant side of the market, as proposed by the Exchange, will allow investors' orders to be handled more promptly and expedite the resolution of locked markets.

The Commission notes, however, that in the event the Exchange automatically executes orders when its disseminated market is crossed by, or crosses, the disseminated market of another options exchange, the Exchange would be permitting trade-throughs⁴⁴ in contravention of Section 8(c) of the Plan for the Purpose of Creating and Operating in Intermarket Options Linkage ("Linkage Plan") and CBOE Rule 6.83.⁴⁵ The Commission believes that it is appropriate and in the public interest for the Exchange to except members from trade-through liability in the event that the trade-through occurred as a result of an automatic execution when the Exchange's disseminated market is the NBBO and crossed by, or crosses, the disseminated market of another options exchange. The Commission believes that, in this limited circumstance, the benefit of providing an automatic execution of orders in a crossed market will outweigh the harm of the resultant trade-through. Therefore, concurrent with this order, the Commission is granting CBOE an exemption from the requirement under Exchange Act Rule 608(c) of the Linkage Plan, which provides that, "absent reasonable justification and during normal market

conditions, members in [Participants'] markets should not effect trade-throughs," and from Section 4(b) of the Linkage Plan, which requires the Exchange to enforce compliance by its members with Section 8(c) of the Linkage Plan.⁴⁶

IV. Solicitation of Comments Concerning Amendments No. 1, 2, and 3

Interested persons are invited to submit written data, views and arguments concerning Amendments No. 1, 2, and 3, including whether the amendments are consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2005-90 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-CBOE-2005-90. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You

³³ See Amendment No. 1, *supra* note 6.

³⁴ See Citadel Letter, *supra* note 4, at 2-3.

³⁵ See Response Letter, *supra* note 5, at 2.

³⁶ 17 CFR 242.602.

³⁷ See BOX Letter, *supra* note 4, *passim*.

³⁸ See Response Letter, *supra* note 5, at 3.

³⁹ See proposed CBOE Rule 6.13A, Interpretation & Policy .01, and CBOE Rule 4.1.

⁴⁰ See, e.g., Section 10(b) of the Act, 15 U.S.C. 78j(b), and Rules 10b-3 and 10b-5 thereunder, 17 CFR 240.10b-3 and -5.

⁴¹ See BOX Letter, *supra* note 4, at 8.

⁴² See Amendment No. 1, *supra* note 6.

⁴³ See *id.*

⁴⁴ A "Trade-Through" is defined in Section 2(29) of the Linkage Plan as "a transaction in an options series at a price that is inferior to the NBBO."

⁴⁵ The Linkage Plan is a national market system plan approved by the Commission pursuant to Section 11A of the Exchange Act, 15 U.S.C. 78k-1, and Exchange Act Rule 608. See Securities Exchange Act Release No. 43086 (July 28, 2000), 65 FR 48023 (August 4, 2000).

⁴⁶ See letter from Robert L.D. Colby, Acting Director, Division of Market Regulation, Commission, to William J. Brodsky, Chairman and CEO, CBOE, dated June 27, 2006.

should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2005-90 and should be submitted on or before August 24, 2006.

V. Accelerated Approval of Amendments No. 1, 2, and 3

The Commission finds good cause to approve Amendments No. 1, 2, and 3 to the proposed rule change prior to the thirtieth day after the amendments are published for comment in the **Federal Register** pursuant to Section 19(b)(2) of the Act.⁴⁷ As discussed in detail above, in Amendment No. 1, CBOE proposed revisions to the proposed rule change to address some of the concerns raised by Citadel and BOX. In addition, CBOE proposed in Amendment No. 1 to clarify, among other things, how CBOE would notify its members with respect to order eligibility for SAL, when SAL would not be automatically initiated, and how orders would be handled upon early termination of SAL due to a quote lock or a response matching the Exchange's disseminated quote on the opposite side of the market. In Amendment No. 2, the Exchange proposed amendments to clarify that the Exchange will submit eligible orders for SAL auctioning and automatically execute eligible orders even if disseminated market in the subject option class is crossed, provided that the Exchange is at the NBBO for the relevant side of the market. In Amendment No. 3, the Exchange proposed to except members from trade-through liability in the case of a trade-through that results from an automatic execution when the Exchange's disseminated market is the NBBO and is crossed by, or crosses, the disseminated market of another options exchange.

The Commission believes that the proposed changes in Amendment No. 1 are necessary for understanding the operation of SAL, are responsive to issues raised in the comment letters, and raise no new issues of regulatory concern. In addition, the proposed changes in Amendments No. 2 and 3 are necessary to the operation of SAL and are similar to rule changes previously approved by the Commission for the Philadelphia Stock Exchange.⁴⁸ Accordingly, pursuant to Section 19(b)(2) of the Act,⁴⁹ the Commission finds good cause exists to approve Amendments No. 1, 2, and 3 prior to the

thirtieth day after notice of the amendments in the **Federal Register**.

VI. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with Section 6(b)(5) of the Act.⁵⁰

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁵¹ that the proposed rule change (SR-CBOE-2005-90) is approved, and that Amendments No. 1, 2, and 3 thereto are approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁵²

J. Lynn Taylor

Assistant Secretary.

[FR Doc. E6-12527 Filed 8-2-06; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54236; File No. SR-CBOE-2006-68]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Its Marketing Fee Program

July 28, 2006.

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 July 18, 2006, the Chicago Board Options Exchange, Incorporated ("CBOE" 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 Exchange. CBOE has designated this proposal as one establishing or changing a due, fee, or other charge imposed by CBOE under Section 19(b)(3)(A)(ii) of the Act³ and

⁵⁰ 15 U.S.C. 78f(b)(5). In connection with the issuance of this approval order, neither the Commission nor its staff is granting any exemptive or no-action relief from the requirements of Rule 10b-10 under the Act. 17 CFR 240.10b-10. Accordingly, a broker-dealer executing a customer order through the SAL auction or otherwise on the Exchange will need to comply with all applicable requirements of that Rule.

⁵¹ 15 U.S.C. 78s(b)(2).

⁵² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon filing with the Commission. 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

CBOE proposes to amend its marketing fee program. Below is the text of the proposed rule change. Proposed new language is in *italics*; deleted language is in [brackets].

CHICAGO BOARD OPTIONS EXCHANGE, INC. FEES SCHEDULE [JUNE 30]/JULY 18, 2006

1. No Change.
2. MARKETING FEE (6)(16)—\$.65
- 3.-4. No Change.

FOOTNOTES:

(1)-(5) No Change.

(6) The Marketing Fee will be assessed only on transactions of Market-Makers, RMMs, e-DPMs, DPMs, and LMMs resulting from orders for less than 1,000 contracts (i) from payment accepting firms, or (ii) that have designated a "Preferred Market-Maker" under CBOE Rule 8.13 at the rate of \$.65 per contract on all classes of equity options, options on HOLDERS, options on SPDRs, options on DIA, options on NDX, and options on RUT. The fee will not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-member market-makers; transactions resulting from inbound P/A orders or a transaction resulting from the execution of an order against the DPM's account if an order directly related to that order is represented and executed through the Linkage Plan using the DPM's account; transactions resulting from accommodation liquidations (cabinet trades); and transactions resulting from dividend strategies, merger strategies, and short stock interest strategies as defined in footnote 13 of this Fees Schedule. This fee shall not apply to index options and options on ETFs (other than options on SPDRs, options on DIA, options on NDX, and options on RUT). A Preferred Market-Maker will only be given access to the marketing fee funds generated from a Preferred order if the Preferred Market-Maker has an appointment in the class in which the Preferred order is received and executed.

[DPM/LMM] Rebate/Carryover Process. If less than 80% of the marketing fee funds collected in a given month [are] is paid out by the DPM/

⁴ 17 CFR 240.19b-4(f)(2).

⁴⁷ 15 U.S.C. 78s(b)(2).

⁴⁸ See Securities Exchange Act Release No. 53449 (March 8, 2006), 71 FR 13441 (March 15, 2006) (File No. SR-Phlx-2005-45).

⁴⁹ 15 U.S.C. 78s(b)(2).

LMM or Preferred Market-Maker in a given month, then the Exchange would refund such surplus at the end of the month on a pro rata basis based upon contributions made by the Market-Makers, RMMs, e-DPMs, DPMs and LMMs in that month. However, if 80% or more of the funds collected in a given month [are] is paid out by the DPM/LMM or Preferred Market-Maker, there will not be a rebate for that month and the excess funds will be included in an Excess Pool of funds to be used by the DPM/LMM or Preferred Market-Maker in subsequent months. The total balance of the Excess Pool of funds for a DPM/LMM cannot exceed \$25,000, and the total balance of the Excess Pool of funds for a Preferred Market-Maker cannot exceed \$80,000. [i]f in any month the DPM/LMM Excess Pool balance were to exceed \$25,000, or the Preferred Market-Maker Excess Pool balance were to exceed \$80,000, the funds in excess of \$25,000 or \$80,000, respectively, would be refunded on a pro rata basis based upon contributions made by the Market-Makers, RMMs, DPMs, e-DPMs and LMMs in that month.

[Preferred Market-Maker Rebate/ Carryover Process. If less than 80% of the marketing fee funds are paid out by the Preferred Market-Maker in a given month, then the Exchange would refund such surplus at the end of the month on a pro rata basis based upon contributions made by the Market-Makers, RMMs, e-DPMs, DPMs and LMMs in that month. However, if 80% or more of the accumulated funds in a given month are paid out by the Preferred Market-Maker, there will not be a rebate for that month and the funds will carry over and will be included in the pool of funds to be used by the Preferred Market-Maker the following month. At the end of each quarter, the Exchange would then refund any surplus, if any, on a pro rata basis based upon contributions made by the Market-Makers, RMMs, DPMs, e-DPMs and LMMs in the final month of the quarter.] CBOE's marketing fee program as described above will be in effect until June 2, 2007.

Remainder of Fees Schedule—No change.

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 Exchange 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. CBOE 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

CBOE recently amended its marketing fee to modify the manner in which marketing fee funds collected during a calendar quarter are refunded.⁵ Specifically, with respect to DPMs and LMMs, CBOE amended the marketing fee to provide that, if less than 80% of the marketing fee funds collected in a given month is paid out by the DPM/LMM, then CBOE will refund such surplus at the end of the month on a pro rata basis based upon contributions made by the Market-Makers, RMMs, e-DPMs, DPMs, and LMMs in that month. However, if 80% or more of the funds collected in a given month is paid out by the DPM/LMM, there will not be a rebate for that month and the excess funds will be included in an Excess Pool of funds to be used by the DPM/LMM in subsequent months. The total balance of the Excess Pool of funds cannot exceed \$25,000 and, if in any month the balance exceeded \$25,000, the funds in excess of \$25,000 would be refunded on a pro rata basis based upon contributions made by the Market-Makers, RMMs, DPMs, e-DPMs, and LMMs in that month.

CBOE now proposes to amend the marketing fee as it relates to the rebate process for Preferred Market-Makers by making the rebate process identical to the rebate process for DPMs and LMMs, with one exception. Specifically, CBOE proposes to cap the Excess Pool of funds for Preferred Market-Makers at \$80,000, rather than the \$25,000 cap for DPMs/LMMs. CBOE believes that having a higher limit on the Excess Pool of funds for Preferred Market-Makers is reasonable given that the total amount of marketing fee funds made available to and used by Preferred Market-Makers to pay for order flow on a monthly basis generally is significantly higher than the amount of marketing fee funds made available to and used by DPMs/LMMs to pay for order flow. Thus, CBOE believes that it is appropriate to allow a Preferred Market-Maker to potentially carry over more funds than a DPM/LMM on a monthly basis, up to the limit on the Preferred Market-Maker Excess Pool.

CBOE notes that, like DPMs/LMMs, Preferred Market-Makers would have to expend 80% or more of the marketing fee funds collected in a given month in order for any excess funds not used to pay for order flow to be included in an Excess Pool.

CBOE states that it is not amending its marketing fee program in any other respects.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁷ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members.

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 neither solicited nor received comments on the proposal.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing proposed rule change has been designated as a fee change pursuant to Section 19(b)(3)(A)(ii) of the Act⁸ and Rule 19b-4(f)(2)⁹ thereunder, because it establishes or changes a due, fee, or other charge imposed by the Exchange. Accordingly, the proposal will take effect upon filing with the Commission. At any time within 60 days of the filing of such proposed rule change the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4).

⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

⁹ 17 CFR 240.19b-4(f)(2).

⁵ See Securities Exchange Act Release No. 54153 (July 14, 2006), 71 FR 41485 (July 21, 2006) (SR-CBOE-2006-63).

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2006-68 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-CBOE-2006-68. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of CBOE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2006-68 and should be submitted on or before August 24, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E6-12519 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54226; File No. SR-CHX-2006-23]

**Self-Regulatory Organizations;
Chicago Stock Exchange, Inc.; Notice
of Filing of a Proposed Rule Change
and Amendment No. 1 Thereto
Regarding Amendments to the
Exchange's Bylaws**

July 27, 2006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 22, 2006, the Chicago Stock Exchange, Inc. (the "CHX" or the "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 CHX. On July 20, 2006, the Exchange filed Amendment No. 1 to the proposed rule change.³ The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

**I. Self-Regulatory Organization's
Statement of the Terms of Substance of
the Proposed Rule Change**

Through this filing, the Exchange proposes to amend its bylaws and rules to make several governance changes. This proposal would (1) Require the Exchange's Board of Directors to identify one position in each class of directors as the "Subject to Petition (STP) Participant Director," with candidates for that position to be subject to a petition process involving the Exchange's participants; (2) change the composition of the Exchange's Nominating & Governance Committee to include two public directors and two STP Participant Directors; and (3) modify the Exchange's rules to confirm that each participant firm would need only one trading permit to conduct business on the Exchange. The text of this proposed rule change is available on the Exchange's Web site at http://www.chx.com/rules/proposed_rules.htm, at the Exchange's

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Partial Amendment to Form 19b-4 dated July 20, 2006 ("Amendment No. 1"). In Amendment No. 1, the Exchange incorporated (a) a change to the proposed text of Article II, Section 3(a) of the Bylaws, replacing the defined term "CHX Participant Director" with a reference to representatives of the holders of Series A Preferred Stock of CHX Holdings, Inc. ("CHX Holdings"); and (b) additional descriptive information about the rules changes that are part of the filing.

principal office, and in the Commission's Public Reference Room.

**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 CHX included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received regarding the proposal. The text of these statements may be examined at the places specified in Item IV below. The CHX 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

As a result of its demutualization in February 2005, the Exchange became the wholly-owned subsidiary of CHX Holdings, a Delaware corporation.⁴ The Exchange's demutualization was driven, in part, by a desire to generate opportunities to enter into strategic alliances by offering stock to interested entities. On June 21, 2006, CHX Holdings announced that it had agreed to the terms of strategic transactions with four firms that will result in an investment in CHX Holdings, in exchange for minority equity stakes in the company. In connection with these transactions, CHX has agreed to propose amendments to its bylaws and rules to (1) Require the Exchange's Board of Directors to identify one position in each Board class as the STP Participant Director, with candidates for that position to be subject to a petition process involving the Exchange's participants; (2) change the composition of the Exchange's Nominating & Governance Committee to include two public directors and two STP Participant Directors; and (3) modify the Exchange's rules to confirm that each participant firm would need only one trading permit to conduct business on the Exchange.

**Changes in Exchange Governance
Contemplated by the Proposed
Transaction**

Under the terms of the agreements reached with potential investors, the Exchange's Board of Directors would be reduced by one director—after the closing of the transactions, the Board would consist of the Exchange's chief

⁴ See Securities Exchange Act Release No. 51149 (February 8, 2005), 70 FR 7531 (February 14, 2005).

¹⁰ 17 CFR 200.30-3(a)(12).

executive officer, six public directors and five participant directors.⁵ The Exchange is required to use its best efforts to place a representative of each of the four investors on the CHX Board.⁶ The remaining participant director would not be affiliated with any of the investors.

Identification of STP Participant Directors

Under the Exchange's existing bylaws, the Nominating & Governance Committee identifies candidates to fill the Board positions that are up for election each year.⁷ In identifying candidates for public director positions, the Committee typically meets to discuss candidates and provides its slate of nominees to the Exchange's sole stockholder, CHX Holdings, for election. The process for identifying candidates for participant director positions, however, is more detailed and includes both a requirement that the Committee hold two open meetings with Exchange participants and a petition process that allows participants to add names to the Committee's initial slate.⁸ This process

is designed to provide Exchange participants with fair representation in the selection of Exchange directors.⁹

The Exchange now proposes to amend its bylaws to require the Board of Directors to set aside one position in each Board class as the "STP Participant Director," with the candidates for each of those positions to be subject to the petition process described above. Although this proposal would reduce the number of participant directors whose elections are subject to this petition process, it would still ensure that at least 20% of the Exchange's directors (on a Board of fifteen or fewer people) are selected in this manner, meeting the "fair representation" percentage currently required by the Commission.¹⁰ Moreover, by requiring that the Board identify one position in each of the three Board classes to be subject to this process, the proposal would allow participants an opportunity to select at least one participant director each year.¹¹

Composition of the Nominating & Governance Committee

The Exchange's Nominating & Governance Committee currently is composed of six Board members—three participant directors and three public directors.¹² Through this filing, the Exchange seeks to change this Committee's composition by reducing its size so that it consists of two public directors and two STP participant

candidate. *Id.* If one or more valid petitions are submitted, the Exchange conducts an election to confirm the participants' selections of nominees for the participant director positions. See Article II, Section 3(e) of the Exchange's bylaws. Each participant has one vote with respect to each participant director position that is to be filled. The individuals having the largest number of votes are the final nominees; the Nominating & Governance Committee must nominate these persons to fill the available positions. See Article II, Sections 3(c) and 3(e) of the Exchange's bylaws.

⁹ See 15 U.S.C. 78f(b)(3) (requiring that the rules of an exchange assure a fair representation of its members in the selection of its directors and administration of its affairs).

¹⁰ See Securities Exchange Act Release No. 50699 (November 18, 2004), 69 FR 71126 (December 8, 2004) ("SRO Governance Release"). In note 148 of the SRO Governance Release, the Commission states, among other things, that it has taken the position that the fair representation requirement could be satisfied if an exchange's rules provide that members constitute at least 20% of the individuals serving on an exchange's nominating committee.

¹¹ Once the Board sets aside these three STP participant director positions, only the candidate(s) for one STP participant director position each year would ordinarily be up for election. If one of the STP participant director positions that is not normally up for election in a particular year becomes vacant during that year, however, the candidates for this now vacant position also would be subject to the petition process.

¹² See Article II, Section 3(a) of the Exchange's bylaws.

directors.¹³ This reduced Committee size has a better overall relationship to the size of the Exchange's Board of Directors, while still ensuring that the Committee is appointed by the full Board of Directors and composed of an equal number of public and participant directors.¹⁴

One Trading Permit per Participant

Under the Exchange's existing rules, each participant firm or each person who is registered as a co-specialist, floor broker or market maker for a participant firm must hold a valid trading permit.¹⁵ Through this submission, the Exchange proposes to change that requirement so that each participant firm must hold a valid trading permit, but individuals who serve as co-specialists, floor brokers and market makers for a firm are no longer subject to this requirement.¹⁶ The Exchange believes that this change better positions it for the move to its proposed new trading model by reducing the number of permits that most participants are required to hold in a manner that the Exchange believes is more consistent with other automated

¹³ See Proposed Amendment to Article II, Section 3(a) of the Exchange's bylaws.

¹⁴ The proposal also is designed to ensure that a participant director who is not affiliated with the four investors will serve on the Committee. The proposed text does this by requiring that one of the STP participant directors on the Committee must not be a representative of a firm that is a holder of Series A Preferred Stock of CHX Holdings. Each of the investors will be making a minority investment in CHX Holdings through the purchase of Series A Preferred Stock and, at least immediately following the transaction, the four firms will be the only holders of the Series A Preferred Stock.

¹⁵ See Article II, Rule 2(a).

¹⁶ Persons who serve in these capacities would continue to be required to register with the Exchange in these capacities. See Article VI, Rule 2(b)(7) (replacing the concept of a firm's "nominee" with a specific reference to persons serving as co-specialists, market makers or floor brokers). In making this proposed change to its rules, the Exchange has combined current Articles II and III to create a single article entitled "Participants and Participant Firms." Throughout its remaining rules, the Exchange has proposed changes to eliminate references to "nominees" and to confirm that participant firms hold trading permits while individual persons who serve as co-specialists, market makers and floor brokers do not hold trading permits, but are registered in those capacities under Article VI. Other changes delete references to rules that are being deleted as part of this proposal or that are no longer in the Exchange's Rulebook. See, e.g., Proposed Amendment to Article XII, Rule 9(h)(i)(1) (deleting rule from the Minor Rule Violation Plan that is being deleted as part of this proposal because it relates to the registration of a participant firm through an individual who holds a trading permit); and Proposed Amendment to Article XII, Rule 9(h)(i)(5) (deleting a reference to a rule that no longer exists). While these changes appear extensive, they simply repeat the same types of changes wherever appropriate in the Exchange's rules.

⁵ The Exchange's Board of Directors currently consists of its chief executive officer, seven public directors and five participant directors. The Board members are divided into three classes, with each class serving a three-year term. See Article II, Section 2(c) of the Exchange's bylaws. A "public director" is a director who (i) is not a participant in the Exchange, or an officer, managing member, partner or employee of an entity that is a participant, (ii) is not an employee of the Exchange or any of its affiliates, (iii) is not broker or dealer or an officer or employee of a broker or dealer, or (iv) does not have any other material business relationship with CHX Holdings or the Exchange (or with any of their affiliates) or with any broker or dealer. See Article II, Section 2(b) of the Exchange's bylaws. A "participant director" is a director who is a participant or an officer, managing member or partner of an entity that is a participant. *Id.* A person or entity is a participant in the Exchange if he or it holds a trading permit issued by the Exchange.

⁶ One investor representative has been named, by the Exchange's Nominating & Governance Committee, as a candidate for the open position in Class 1 on the Exchange's Board. The Exchange anticipates that, immediately following the 2006 stockholders' meeting, two participant directors (one director currently serving in Class 1 and one director currently serving in Class 3 of the Board) will resign, resulting in vacancies that will be filled with representatives of two other investors. One of the potential investors already has a representative on the Exchange's Board of Directors; this person would retain his position on the Board.

⁷ See Article II, Section 3(b) of the Exchange's bylaws.

⁸ Specifically, under this process, no later than 60 days prior to the date announced for the annual stockholder meeting, the Committee's initial nominees for participant director positions are reported to the Exchange's secretary, who then must promptly announce the nominees to the Exchange's participants. See Article II, Section 3(d) of the Exchange's bylaws. Participants may identify other candidates for one or more of these positions by submitting a written petition, signed by at least ten participants, with respect to each additional

markets.¹⁷ The Exchange also believes that reducing the relative number of trading permits would not undermine or circumvent the Act's requirement for fair representation of members.

As mentioned above, each of these proposed changes to the Exchange's bylaws and rules are related to the recently-announced strategic transactions through which four firms have agreed to make investments in CHX Holdings, in exchange for minority equity stakes in the company. The Exchange believes that each of these proposed changes is reasonable and continues to provide Exchange participants with a fair opportunity to participate in the governance of the Exchange.

2. Statutory Basis

Approval of the rule changes proposed in this submission is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.¹⁸ In particular, the proposed changes are consistent with Section 6(b)(5) of the Act,¹⁹ because they would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest by allowing the Exchange to make reasonable changes to certain aspects of its governance that are both consistent with the terms of proposed transactions and with providing all of its participants with fair representation in the Exchange's governance.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule changes would 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 either solicited or received.

¹⁷ In the Exchange's proposed new trading model, the Exchange seeks to move to a more automated system, which would allow participants—from any location—to submit orders for immediate execution. See SR-CHX-2006-05. By reducing the number of trading permits that a firm needs (in this new model and even before it is fully implemented), the Exchange is reducing the fees that must be paid by that firm. Under the Exchange's current fee schedule, a participant must pay \$6,000 each year, divided into monthly installments, for each trading permit that it holds.

¹⁸ 15 U.S.C. 78f(b).

¹⁹ 15 U.S.C. 78f(b)(5).

III. Date of Effectiveness of the Proposed Rule Change and Timing of 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 self-regulatory organization consents, the Commission will:

(A) By order approve the 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. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-CHX-2006-23 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File No. SR-CHX-2006-23. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 CHX. All

comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-CHX-2006-23 and should be submitted on or before August 24, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁰

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-12521 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54228; File No. SR-ISE-2006-14]

Self-Regulatory Organizations; International Securities Exchange, Inc.; Order Granting Approval of a Proposed Rule Change and Amendment No. 1 Thereto Relating to ISE Rule 720

July 27, 2006.

I. Introduction

On March 22, 2006, the International Securities Exchange, Inc. ("ISE" or "Exchange") filed with 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 to amend ISE Rule 720 (the "Obvious Error Rule"). On May 18, 2006, the ISE submitted Amendment No. 1 to the proposed rule change.³ The proposed rule change and Amendment No. 1 were published for comment in the **Federal Register** on June 14, 2006.⁴ The Commission received no comments on the proposal. This order approves the proposed rule change, as amended.

²⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the Exchange amended proposed new Supplementary Material .08 to ISE Rule 720 to state that unless all parties to a trade agree otherwise, ISE Market Control may nullify a trade if all parties to a trade fail to receive a trade execution report due to a verifiable system outage. Amendment No. 1 also clarified that the proposed rule change operates under the assumption that a trade has taken place, but due to a system outage, the parties to the trade never received a trade execution report and thus were unaware of the trade having taken place.

⁴ See Securities Exchange Act Release No. 53948 (June 6, 2006), 71 FR 34407.

II. Description

The ISE proposes to amend ISE Rule 720 to provide that, unless all parties to a trade agree otherwise, the Exchange (through its Market Control Unit) may nullify a transaction if all parties to the trade do not receive a trade execution report⁵ due to a verifiable system outage. The Exchange represented that it routinely sends out trade execution reports to all Members that are parties to a trade.⁶

The ISE states that it developed the Obvious Error Rule to address the need to handle errors in a fully electronic market where orders and quotes are executed automatically before an obvious error may be discovered and corrected by Members. The Exchange notes that in formulating the Obvious Error Rule, it weighed carefully the need to assure that one market participant is not permitted to receive a windfall at the expense of another market participant that made an obvious error, against the need to assure that market participants are not simply being given an opportunity to reconsider poor trading decisions. The Exchange believes that the proposed rule change would strengthen ISE's Obvious Error Rule because it would ensure that parties are not adversely affected by a trade whose terms were never fully communicated to them as a result of a system outage. As a matter of "housekeeping," the Exchange also proposes to renumber ISE Rule 720(e) as ISE Rule 720(d).

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 exchange⁷ and, in particular, the requirements of Section 6(b) of the Act⁸ and the rules and regulations thereunder. Specifically, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,⁹ in that it is designed 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 general, to protect investors and the public interest.

The Commission considers that in most circumstances trades that are executed between parties should be honored. On rare occasions, the circumstances surrounding an execution suggest that it is unrealistic to expect that the parties to the trade had come to a meeting of the minds regarding the terms of the transaction. In the Commission's view, the determination of whether an "obvious error" has occurred should be based on specific and objective criteria and subject to specific and objective procedures. Under ISE's proposal, unless all parties to a trade agree otherwise, ISE Market Control may nullify a trade if all parties to the trade fail to receive a trade execution report due to a verifiable system outage. The Commission believes that ISE's proposal provides specific and objective criteria to be used by the Exchange to nullify a trade in this circumstance. Accordingly, the Commission finds that the Exchange's proposal is consistent with the Act.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-ISE-2006-14), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-12526 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54163A; File No. SR-NSCC-2006-06]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Enhancements to ACATS-Fund/SERV Processing Capabilities

July 28, 2006.

Correction

In Release No. 34-54163, FR Doc. E6-11681, revise the words "delivering

member" to read "relevant mutual fund" in each of the following places:

- a. page 41852, second column, fourth paragraph, tenth line;
- b. page 41852, third column, first paragraph, third line;
- c. page 41852, third column, second paragraph, fourteenth line;
- d. page 41852, third column, second paragraph, twenty-first line;
- e. page 41853, first column, second full paragraph, ninth line; and
- f. page 41853, first column, second full paragraph, twelfth line.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-12501 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54237; File No. SR-Phlx-2006-39]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Conforming Changes to Its By-Laws

July 28, 2006.

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 July 21, 2006, the Philadelphia Stock Exchange, Inc. ("Phlx" 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 Phlx. The Phlx has designated this proposal as one concerned solely with the administration of the Exchange under Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(3) thereunder,⁴ which renders the proposal effective upon filing with the Commission. 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 proposes to amend various provisions of its By-Laws ("By-

¹ 17 CFR 200.30-3(a)(12).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

⁴ 15 U.S.C. 78s(b)(3)(A)(iii).

⁵ 17 CFR 240.19b-4(f)(3).

⁵ A trade execution report is an ISE system message sent to all parties to a trade to inform them that a trade has been consummated. Among other things, a trade execution report contains pertinent details such as the underlying security, the price, number of contracts traded, the strike price and the expiration date.

⁶ See, Amendment No. 1, *supra* note 3.

⁷ In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ 15 U.S.C. 78f(b)(2).

¹¹ 17 CFR 200.30-3(a)(12).

Laws”) to conform the usage of terms contained in, and to make technical corrections to, the By-Laws. The text of the proposed rule change is set forth below, with *italics* indicating new text and [brackets] indicating deletions.

* * * * *

ARTICLE IV Board of Governors

Number and Composition

SEC. 4-1. The management of the business and affairs of the Exchange shall be vested in the Board of Governors. The Board of Governors shall be composed of the Chairman of the Board of Governors, who shall be the individual then holding the office of the Chief Executive Officer of the Exchange and twenty-two (22) other Governors consisting of: two (2) Governors who are Member Governors who meet the qualifications set forth in By-Law Article [1] I, Section 1-1 with respect to Member Governors; one (1) Governor who is a PBOT Governor who meets the qualifications set forth in By-Law Article [1] I, Section 1-1 with respect to the PBOT Governor; six (6) Governors who are Stockholder Governors who meet the qualifications set forth in By-Law Article [1] I, Section 1-1 with respect to Stockholder Governors; twelve (12) Governors who are Independent Governors who meet the qualifications set forth in By-Law Article [1] I, Section 1-1 with respect to Independent Governors and one (1) Governor who is the Vice-Chairman of the Board of Governors who meets the qualifications set forth in By-Law Article V, Section 5-2 with respect to the Vice-Chairman.

* * * * *

Duties and Powers

SEC. 4-4. (a)—The Board of Governors shall be vested with all the powers necessary for the management of the business and affairs of the Exchange, the regulation of the business conduct of Members, participants, Member Organizations, and participant organizations, and persons associated with such organizations and for the promotion of the welfare, objects and purposes of the Exchange, and in addition to the power and authority conferred by these By-Laws, may exercise all powers of the Exchange and do all such lawful acts and things as are not by statute, these By-Laws or the Certificate of Incorporation directed or required to be exercised or done by the Stockholders.

[Amendment.

August 22, 1997 (97-31).]

[(a)] In the exercise of its powers it may adopt such rules, issue such orders and directions and make such decisions as it may deem appropriate.

SEC. 4.4 (b) No Change

* * * * *

Vacancies

SEC. 4-7. Vacancies in the Board of Governors, including vacancies resulting from [from] the resignation of any Governors or an increase in the number of Governors, shall be filled by the Nominating, [and] Elections *and Governance* Committee, subject to approval by a majority of the Governors then in office, although less than a quorum, or by a sole remaining Governor, and each person so elected shall be a Governor until his successor is elected and qualified or until his earlier resignation or removal.

Disqualification of Governors

SEC. 4-8. (a)–(b)—No change.

(c) The last sentence of subsection (a) of this Section shall not apply when the interest of the relevant person is derived solely from being part of the general membership or of a class of [m]Members, unless their impartiality might reasonably be questioned.

* * * * *

ARTICLE X Standing Committees

Standing Committees

SEC. 10-1 (a) The Standing Committees of the Exchange shall consist of: an Executive Committee, an Admissions Committee, an Allocation, Evaluation and Securities Committee, an Audit Committee, an Automation Committee, a Business Conduct Committee, a Compensation Committee, a Finance Committee, a Floor Procedure Committee, a Foreign Currency Options Committee, a Marketing Committee, a Nominating, [and] Elections *and Governance* Committee, a Quality of Markets Committee, and an Options Committee. Each of such Committees shall be composed of not more than nine (9) members, including ex-officio members, except for the Floor Procedure Committee, the Options Committee, and the Foreign Currency Options Committee, which shall each consist of not more than twelve (12) members, including ex-officio members. The Chairman of each Standing Committee shall be a member of the Board of Governors and at least one other person on each Committee shall be a Governor.

* * * * *

Vacancies in Standing Committees—Ad Interim Appointments

SEC. 10-4. The Executive Committee shall appoint, subject to the approval of the Board of Governors, a person to fill any vacancy other than Chairman occurring in any Standing Committee except the Nominating, [and] Elections *and Governance* Committee and the Executive Committee. Should special exigencies require, the Chairman of the Board of Governors may fill any such vacancy ad interim until the next regular meeting of the Board of Governors.

* * * * *

Nominating, Elections and Governance Committee

SEC. 10-19. (a)–(h)—No change.

(i) The names of the persons nominated by the Nominating, [and] Elections *and Governance* Committee shall be identified on the ballot by an appropriate legend or symbol. In the event that there are more nominations of persons [in the categories of On-Floor and Off-Floor Governor] than there are vacancies on the Board of Governors which may be filled by such persons, the number of such persons who may be elected to serve on the Board of Governors in each category shall also be indicated on the ballot.

* * * * *

ARTICLE XI Appeals

When Allowed

SEC. 11-1. (a)—No change.

(b) Notwithstanding the foregoing, any appeal from a decision of the Nominating, [and] Elections *and Governance* Committee regarding the eligibility of any candidate for election to the Board of Governors shall be heard by a special committee of the Board of Governors composed of not less than a majority of all Governors who are not then candidates for office on the Board of Governors. An affected candidate or interested party may appeal by filing a written notice thereof with the Secretary of the Exchange within seven (7) days after a decision. Said notice shall also state the reasons for his appeal and the relief requested. He may appear before the special committee and present arguments concerning the decision. An appropriate record shall be kept. The decision of the special committee shall be final.

(c)—No change.

* * * * *

ARTICLE XV Transfer of Foreign Currency Options Participations

Transfer of Foreign Currency Options Participations

Transfer of Equitable Title

A transfer of equitable title only to a foreign currency options participation shall be made upon submission of the name of the transferor and the transferee thereof to the Admissions Committee. A transfer may not be effected pursuant to a lease agreement. Notice of this transfer shall be posted upon the website of the Exchange and shall also appear in the Weekly Bulletin mailed to the [m]Members and/or foreign currency options participants at least seven (7) days in advance of the transfer's effective date. Notice of the proposed transfer shall specify the date on which the proposed transfer will become effective.

* * * * *

Contracts of Transferor

SEC. 15-2.

* * * * *

Effect of Involuntary Transfers

Notice of a transfer to be made pursuant to a sale of a foreign currency options participation by the Admissions Committee shall be sent to the [m]Members and the foreign currency options participants as in the case of a voluntary transfer, and shall have the same effect in respect to open contracts and unmatured debts and obligations of the foreign currency options participant or former foreign currency options participant as in the case of a voluntary transfer.

Disposition of Proceeds of Sale of Foreign Currency Options Participation

SEC. 15-3.

* * * * *

Determination of Claims

An Advisory Committee of (3) Governors, of whom at least two (2) shall be Independent Governors, shall be appointed by the Chairman of the Board of Governors to examine the validity of claims asserted against the [m]Members or the foreign currency options participants and give an advisory opinion to the Board of Governors thereon. The examination of the validity of the claims shall be made upon written submission of claimants and respondents with provision for these parties to request oral argument before the Advisory Committee. The Board of Governors, based upon the written record before the Advisory Committee, shall determine the

payment of such sums that are or may become due to the claimants pursuant to these By-Laws and the rules of the Exchange. The decision of the Board of Governors shall be in writing and sent to the parties to the proceeding respecting the determination of claims.

* * * * *

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Phlx included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposal. 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 represents that the purpose of the proposed rule change is to make minor, technical adjustments to certain By-Laws, in order to conform them to the current By-Laws as amended recently by SR-Phlx-2005-93.⁵ The Exchange represents that the proposed amendments are administrative in nature and are only intended to add consistency to the rules in terms of form.

The term "member" is being capitalized in certain places to clarify the intended meaning of the term. The Exchange represents that the purpose of this amendment is not to change the intent of its meaning within the By-Laws, but rather to clarify the intended meaning by capitalizing the term in relevant places. The capitalization should differentiate between intended references to the term "Member" as defined in Phlx Rule 2⁶ from the term "member" as used in other contexts.⁷ The Exchange represents that this amendment does not intend to substantively amend the By-Laws, but

⁵ See Securities Exchange Act Release No. 53734 (April 27, 2006), 71 FR 26589 (May 5, 2006).

⁶ Phlx Rule 2 states, "The term 'Member' means a permit holder which has not been terminated in accordance with the by-laws and these rules of the Exchange."

⁷ For example, the By-Laws use the term "member" to refer to members of a committee. The Exchange represents that the proposed rule change would not amend references to the term "member" in the Exchange's Certificate of Incorporation.

only to correct inadvertent omissions in the previously referenced filing.

The term "Governance" was previously added to the title of the Nominating and Elections Committee in the previously referenced filing.⁸ The failure to include the term "Governance", when referencing this Committee in certain places, was an inadvertent omission in the previously referenced filing. The proposed amendments will provide consistency throughout the By-Laws when referring to this Committee.

The Exchange proposes to remove the references to "Off-Floor Governor" and "On-Floor Governor" as these terms no longer have a defined meaning in the By-Laws. The terms "Off-Floor Governor" and "On-Floor Governor" were removed from the By-Laws by a previous rule filing.⁹ The Exchange represents that the remaining references to these terms in the specified By-Laws was an inadvertent oversight. The removal of these terms should provide clarity to the existing language in these By-Laws.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act¹⁰ in general, and furthers the objectives of Section 6(b)(5) of the Act¹¹ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by maintaining consistency in the terms referenced throughout the By-Laws and the intended usage of defined terms.

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

No written comments were either solicited or received.

⁸ See Securities Exchange Act Release No. 53734, *supra* note 5.

⁹ See *id.*

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing proposed rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act,¹² and paragraph (f)(3) of Rule 19b-4 thereunder¹³ because the Phlx has designated it as being concerned solely with the administration of the Exchange. 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 is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-Phlx-2006-39 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-Phlx-2006-39. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the Phlx. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2006-39 and should be submitted on or before August 24, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E6-12520 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54233; File No. SR-Phlx-2006-44]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change To Extend the Linkage Fee Pilot Program

July 27, 2006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 17, 2006, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II 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 and is approving the proposal on an accelerated basis for a pilot period through July 31, 2007.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx proposes to extend, for a one-year period, a pilot relating to transaction fees applicable to the execution of Principal Acting as Agent Orders ("P/A Orders")³ and Principal

Orders ("P Orders")⁴ sent to the Exchange via the Intermarket Option Linkage ("Linkage") under the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage (the "Plan").⁵ The Exchange proposes to extend the pilot through July 31, 2007. The text of the proposed rule change is available on the Phlx's Web site at (<http://www.phlx.com>), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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 Exchange 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 III 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 purpose of the proposed rule change is to extend the current pilot program for one year, through July 31, 2007. The Exchange currently charges \$0.25 per option contract for P Orders sent to the Exchange via Linkage under the Plan. The Exchange currently charges \$0.15 per option contract for P/A Orders.

By extending the current pilot program, the Exchange should remain competitive with other exchanges that charge fees for P and P/A Orders.⁶

related unexecuted Public Customer order for which the specialist is acting as agent. See Phlx Rule 1083(k)(i).

⁴ A P Order is an order for the principal account of an Eligible Market Maker and is not a P/A Order. See Phlx Rule 1083(k)(ii).

⁵ See Securities Exchange Act Release Nos. 44482 (June 27, 2001), 66 FR 35470 (July 5, 2001) (Amendment to Plan to Conform to the Requirements of Securities Exchange Act Rule 11Ac1-7); 43573 (November 16, 2000), 65 FR 70851 (November 28, 2000) (Notice of Phlx Joining the Plan); and 43086 (July 28, 2000), 65 FR 48023 (August 4, 2000) (Approval of the Plan).

⁶ See Securities Exchange Act Release Nos. 52168 (July 29, 2005), 70 FR 45454 (August 5, 2005) (SR-ISE-2005-32); 52147 (July 28, 2005), 70 FR 44706 (August 3, 2005) (SR-BSE-2005-25); 52151 (July 28, 2005), 70 FR 44713 (August 3, 2005) (SR-PCX-2005-86); 52073 (July 20, 2005), 70 FR 43474 (July 27, 2005) (SR-CBOE-2005-54). See also Securities Exchange Act Release No. 54064 (June 28, 2006), 71 FR 38438 (July 6, 2006) (SR-CBOE-2006-59).

¹² 15 U.S.C. 78s(b)(3)(A)(iii).

¹³ 17 CFR 240.19b-4(f)(3).

¹⁴ See 15 U.S.C. 78s(b)(3)(C).

¹⁵ 17 CFR 200.30-3(a)(12).

¹⁶ 15 U.S.C. 78s(b)(1).

¹⁷ 17 CFR 240.19b-4.

³ A P/A Order is an order for the principal account of a specialist reflecting the terms of a

Consistent with current practice, the Exchange will charge the clearing member organization of the sender of P and P/A Orders. Also, the Exchange will not charge for the execution of Satisfaction Orders sent through Linkage.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act,⁷ in general, and Section 6(b)(4) of the Act,⁸ in particular, in that the proposed rule change provides for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities.

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 neither solicited nor received comments on the proposed rule change.

III. 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. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-Phlx-2006-44 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-Phlx-2006-44. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will

post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2006-44 and should be submitted on or before August 24, 2006.

IV. Commission's Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful consideration, 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,⁹ and, in particular, the requirements of Section 6(b) of the Act¹⁰ and the rules and regulations thereunder. The Commission finds that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹¹ which requires that the rules of the Exchange provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities. The Commission believes that the extension of the Linkage fee pilot until July 31, 2007 will give the Exchange and the Commission further opportunity to evaluate whether such fees are appropriate.

The Commission finds good cause, pursuant to Section 19(b)(2) of the Act,¹² for approving the proposed rule change prior to the thirtieth day after publication of notice thereof in the **Federal Register**. The Commission believes that granting accelerated

approval of the proposed rule change will preserve the Exchange's existing pilot program for Linkage fees without interruption as the Exchange and the Commission further considers the appropriateness of Linkage fees.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹³ that the proposed rule change (SR-Phlx-2006-44) is hereby approved on an accelerated basis for a pilot period to expire on July 31, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E6-12522 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54199; File No. SR-Phlx-2006-45]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Reduce the Equity Transaction Charge

July 24, 2006

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 July 18, 2006, the Philadelphia Stock Exchange, Inc. ("Phlx" 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 Phlx. Phlx filed the proposal pursuant to Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon filing with the Commission. 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

Phlx proposes to reduce the current Equity Transaction Charge of \$0.0035 per share to \$0.0023 per share. The

¹³ *Id.*

¹⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁹ In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78s(b)(2).

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4).

maximum charge will remain at \$50.00 per trade side. The proposed rule change is scheduled to become effective for transactions settling on or after August 1, 2006. The text of the proposed rule change is available on Phlx's Internet Web site (<http://www.phlx.com>), at Phlx's principal office, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Phlx included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Phlx has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Currently, the Exchange charges an Equity Transaction Charge of \$0.0035 per share, based on total shares per transaction, with the exception of specialist trades and PACE trades.⁵ The Exchange proposes to reduce the current Equity Transaction Charge to \$0.0023 per share.⁶ The purpose of the proposal is to attract additional equity floor broker order flow to the Exchange. This proposal is scheduled to become effective for transactions settling on or after August 1, 2006.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b) of the Act,⁷ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁸ in particular, because it is an equitable

⁵ However, the Equity Transaction Charge applies where an order, after being delivered to the Exchange by the PACE system, is executed by the specialist by way of an outbound ITS commitment, when such outbound ITS commitment reflects the PACE order's clearing information, but does not apply where a PACE trade is executed against an inbound ITS commitment. See, e.g., Securities Exchange Act Release Nos. 50106 (July 28, 2004), 69 FR 47197 (August 4, 2004) (SR-Phlx-2004-40) and 47245 (January 24, 2003), 68 FR 5069 (January 31, 2003) (SR-Phlx-2002-88).

⁶ The maximum amount for the Equity Transaction Charge will remain at \$50.00 per trade side.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4).

allocation of reasonable dues, fees, and other charges among members of the Exchange.

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 has neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing proposed rule change has been designated as a fee change pursuant to Section 19(b)(3)(A)(ii) of the Act⁹ and Rule 19b-4(f)(2)¹⁰ thereunder. Accordingly, the proposed rule change is effective upon filing with the Commission. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-Phlx-2006-45 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File No. SR-Phlx-2006-45. This file number should be included on the subject line

if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 Phlx. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-Phlx-2006-45 and should be submitted on or before August 24, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E6-12523 Filed 8-2-06; 8:45 am]

BILLING CODE 8010-01-P

SMALL BUSINESS ADMINISTRATION

Disaster Declaration #10552 and #10553; California Disaster #CA-00038

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster for the State of California dated 07/27/2006.

Incident: Sawtooth Complex Fire.
Incident Period: 07/09/2006 through 07/18/2006.

Effective Date: 07/27/2006.

Physical Loan Application Deadline Date: 09/25/2006.

Economic Injury (EIDL) Loan Application Deadline Date: 04/27/2007.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, National Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁰ 17 CFR 240.19b-4(f)(2).

¹¹ 17 CFR 200.30-3(a)(12).

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, SW., Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator's disaster declaration applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties: San Bernardino.

Contiguous Counties:

Arizona: La Paz, Mohave.

California: Inyo, Kern, Los Angeles, Orange, Riverside.

Nevada: Clark.

The Interest Rates are:

	Percent
Homeowners with Credit Available Elsewhere	5.875
Homeowners without Credit Available Elsewhere:	2.937
Businesses with Credit Available Elsewhere:	7.763
Businesses & Small Agricultural Cooperatives without Credit Available Elsewhere:	4.000
Other (Including Non-Profit Organizations) with Credit Available Elsewhere:	5.000
Businesses And Non-Profit Organizations without Credit Available Elsewhere:	4.000

The number assigned to this disaster for physical damage is 10552 5 and for economic injury is 10553 0.

The States which received an EIDL Declaration # are California, Arizona, Nevada.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Dated: July 27, 2006.

Steven C. Preston,
Administrator.

[FR Doc. E6-12502 Filed 8-2-06; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Notice of Federal Agency Actions on Proposed Transportation Projects in Ohio

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Limitation on Claims for Judicial Review of Actions by FHWA and Other Federal Agencies.

SUMMARY: This notice announces actions taken by the FHWA and other Federal

Agencies that are final within the meaning of 23 U.S.C. 139(l)(1). The actions relate to proposed highway and transit projects within the area known as the Eastern Corridor, which is a 165 square mile area in the Cincinnati metropolitan area that extends from the Cincinnati Central Business District and riverfront redevelopment area in Hamilton County, easterly to east of the I-275 outerbelt corridor in Clermont County, near the communities of Milford, Batavia, and Amelia, in the State of Ohio. The Federal actions, taken as a result of a tiered environmental review process under the National Environmental Policy Act, 42 U.S.C. 4321-4351 (NEPA), and implementing regulations on tiering, 40 CFR 1502.20, 40 CFR 1508.28, and 23 CFR Part 771, determined certain issues relating to the proposed projects. Those Tier 1 decisions will be used by Federal agencies in subsequent proceedings, including decisions whether to grant licenses, permits, and approvals for highway and transit projects. Tier 1 decisions also may be relied upon by State and local agencies in proceedings on the proposed projects.

DATES: By this notice, the FHWA is advising the public that it has made decisions that are subject to 23 U.S.C. 139(l)(1) and are final within the meaning of that law. A claim seeking judicial review of the Tier 1 Federal agency decisions on the proposed highway and transit projects will be barred unless the claim is filed on or before January 30, 2007. If the Federal law that authorizes judicial review of a claim provides a time period of less than 180 days for filing such claim, then that shorter time period still applies.

FOR FURTHER INFORMATION CONTACT: For FHWA: Mr. Mark L. Vonder Embse, PE., Senior Transportation Engineer, Federal Highway Administration, 200 North High Street, Columbus, Ohio, 43215; e-mail: mark.vonderembse@fhwa.dot.gov; telephone: (614) 280-6854; FHWA Ohio Division Office's normal business hours are 8 a.m. to 4:30 p.m. (eastern time). You also may contact Mr. Tim Hill, Ohio Department of Transportation, 1980 West Broad Street, Columbus, OH 43223; telephone: (614) 644-0377.

SUPPLEMENTARY INFORMATION: Notice is hereby given that the FHWA has issued a Tier 1 Record of Decision (ROD) in connection with proposed highway and transit projects within the Eastern Corridor of the City of Cincinnati in the State of Ohio. Decisions in the Tier 1 ROD include, but are not limited to, the following:

1. Purpose and need for the projects, including the need for actions to

increase highway capacity, reduce congestion and delay, improve safety and increase transportation connectivity in the region.

2. Reasonable alternatives that will be carried forward for further evaluation in the Tier 2 proceedings.

3. Alternatives that have been eliminated from further consideration and study, including but not limited to the no-build alternative; the Wasson Light Rail Transit alternative; the Beechmont Levee Corridor alternative; and individual or combined measures involving high occupancy vehicle lanes, bus rapid transit, ferry boats, and expanded Ohio River crossings on I-275 and I-471.

4. The Little Miami River will be clear spanned, thereby precluding the proposed highway and transit crossing from being designated as a water resources project within the meaning of Section 7 of the Wild and Scenic Rivers Act, 16 U.S.C. 1271-1287.

The Tier 1 actions by the Federal agencies, and the laws under which such actions were taken, are described in the Draft Environmental Impact Statement (DEIS), approved November 8, 2004, the FEIS approved September 30, 2005, the ROD approved June 2, 2006, and in other documents in the FHWA project records. The DEIS, FEIS, ROD and other documents in the FHWA project file are available by contacting the FHWA or the Ohio Department of Transportation at the addresses provided above. The DEIS, FEIS, and ROD also are available online at <http://www.easterncorridor.org/default.asp>.

The scope and purpose of the Tier 1 FEIS are described in Sections 1.1 and 1.3 of the FEIS and referenced sections of the DEIS. The DEIS, FEIS, and ROD describe the issues that will be addressed in Tier 2, including further refinement and evaluation of the alternatives advanced to Tier 2 and identification of preferred alternatives for the various parts of the multimodal plan.

This notice applies to all Federal agency Tier 1 decisions that are final within the meaning of 23 U.S.C. 139(l)(1) as of the issuance date of this notice and all laws under which such actions were taken, including but not limited to:

1. General: National Environmental Policy Act (NEPA), 42 U.S.C. 4321-4351; Federal-Aid Highway Act, 23 U.S.C. 109 and 23 U.S.C. 128.

2. Air: Clean Air Act, 42 U.S.C. 7401-7671(q).

3. Land: Section 4(f) of the Department of Transportation Act of 1966, 49 U.S.C. 303 and 23 U.S.C. 138.

4. Wetlands and Water Resources: Safe Drinking Water Act, 42 U.S.C. 300(f)–300(j)(6); Wild and Scenic Rivers Act, 16 U.S.C. 1271–1287; Wetlands Mitigation, 23 U.S.C. 103(b)(6)(m), 133(b)(11).

5. Historic and Cultural Resources: Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470(f) *et seq.*

6. Executive Orders: E.O. 11990 Protection of Wetlands; E.O. 11988 Floodplain Management; E.O. 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations; E.O. 11593 Protection and Enhancement of Cultural Resources; E.O. 11514 Protection and Enhancement of Environmental Quality.

(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.)

Authority: 23 U.S.C. 139(l)(1).

Issued on: July 26, 2006.

Dennis A. Decker,

Division Administrator, Columbus, Ohio.

[FR Doc. E6–12563 Filed 8–2–06; 8:45 am]

BILLING CODE 4910–22–P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Notice of Final Federal Agency Actions on Proposed Highway in Ohio

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Limitation on Claims for Judicial Review of Actions by FHWA and Other Federal Agencies.

SUMMARY: This notice announces actions taken by the FHWA and other Federal agencies that are final within the meaning of 23 U.S.C. 139(l)(1). The actions relate to a proposed highway project, U.S. Route 823 (the Portsmouth Bypass), from Lucasville in Scioto county to near Scioto Dale in Scioto county in the State of Ohio. Those actions grant licenses, permits, and approvals for the project.

DATES: By this notice, the FHWA is advising the public of final agency actions subject to 23 U.S.C. 139(l)(1). A claim seeking judicial review of the Federal agency actions on the highway project will be barred unless the claim is filed on or before January 30, 2007. If the Federal law that authorizes judicial review of a claim provides a time period of less than 180 days for

filing such claim, then that shorter time period still applies.

FOR FURTHER INFORMATION CONTACT: For FHWA: Mr. David Snyder, Environmental Program Manager, Federal Highway Administration, 200 North High Street, Columbus, Ohio 43215; telephone: (614) 280–6852; e-mail: *David.Snyder@fhwa.dot.gov*; FHWA Ohio Division Office's normal business hours are 8 a.m. to 4:30 p.m. (eastern time). For Ohio Department of Transportation: Mr. Tim Hill, Ohio Department of Transportation, 1980 West Broad Street, Columbus, OH 43223; telephone: (624) 644–0377.

SUPPLEMENTARY INFORMATION: Notice is hereby given that the FHWA and other Federal agencies have taken final agency actions by issuing licenses, permits, and approvals for the following highway project in the State of Ohio: U.S. Route 823 (the Portsmouth Bypass), from Lucasville in Scioto county to near Scioto Dale in Scioto county in the State of Ohio. The project will be a 16 mile long, four-lane divided limited access highway. It will begin at U.S. Route 23 in Lucasville. It will then proceed in a southeasterly direction staying north of Clarktown, south of Minford, west of Rigrish Addition, and just west of Scioto Dale. It will end near Scioto Dale by tying back into the existing 4-lane divided U.S. Route 52 just east of SR140. The proposed highway will be on new alignment. The actions by the Federal agencies, and the laws under which such actions were taken, are described in the Final Environmental Impact Statement (FEIS) for the project, approved on August 10, 2005, in the FHWA Record of Decision (ROD) issued on June 9, 2006, and in other documents in the FHWA project records. The FEIS, ROD, and other project records are available by contacting the FHWA or the Ohio Department of Transportation at the addresses provided above. The FEIS and ROD can be viewed at the Lucasville Public Library, the Scioto County Engineer's offices, the Scioto County Commissioner's office, the Portsmouth Public Library, the New Boston Public Library, the Wheelersburg Public Library, and the South Webster Public Library.

This notice applies to all Federal agency decisions as of the issuance date of this notice and all laws under which such actions were taken, including but not limited to:

1. *General:* National Environmental Policy Act (NEPA) [42 U.S.C. 4321–4351]; Federal-Aid Highway Act [23 U.S.C. 109].

2. *Air:* Clean Air Act, [42 U.S.C. 7401–7671(q)].

3. *Land:* Section 4(f) of the Department of Transportation Act of 1966 [49 U.S.C. 303]; Landscaping and Scenic Enhancement (Wildflowers), [23 U.S.C. 319].

4. *Wildlife:* Endangered Species Act [16 U.S.C. 1531–1544 and Section 1536], Fish and Wildlife Coordination Act [16 U.S.C. 661–667(d)], Migratory Bird Treaty Act [16 U.S.C. 703–712].

5. *Historic and Cultural Resources:* Section 106 of the National Historic Preservation Act of 1966, as amended [16 U.S.C. 470(f) *et seq.*]; Archeological Resources Protection Act of 1977 [16 U.S.C. 470(aa)–11]; Archeological and Historic Preservation Act [16 U.S.C. 469–469(c)]; Native American Grave Protection and Repatriation Act (NAGPRA) [25 U.S.C. 3001–3013].

6. *Social and Economic:* Civil Rights Act of 1964 [42 U.S.C. 2000(d)–2000(d)(1)]; American Indian Religious Freedom Act [42 U.S.C. 1996]; Farmland Protection Policy Act (FPPA) [7 U.S.C. 4201–4209].

7. *Wetlands and Water Resources:* Land and Water Conservation Fund (LWCF), [16 U.S.C. 4601–4604]; Safe Drinking Water Act (SDWA), [42 U.S.C. 300(f)–300(j)(6)]; Rivers and Harbors Act of 1899, [33 U.S.C. 401–406]; Wild and Scenic Rivers Act, [16 U.S.C. 1271–1287]; Clean Water Act, [33 U.S.C. 1251–1377 (Section 401, 404, and 319)]; Emergency Wetlands Resources Act, [16 U.S.C. 3921, 3931; 133(b)(11)]; Flood Disaster Protection Act, [42 U.S.C. 4001–4128].

8. *Executive Orders:* E.O. 11990 Protection of Wetlands; E.O. 11988 Floodplain Management; E.O. 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations; E.O. 11593 Protection and Enhancement of Cultural Resources; E.O. 13007 Indian Sacred Sites; E.O. 13287 Preserve America; E.O. 13175 Consultation and Coordination with Indian Tribal Governments; E.O. 11514 Protection and Enhancement of Environmental Quality; E.O. 13112 Invasive Species.

(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.)

Authority: 23 U.S.C. 139(l)(1).

Issued on: July 27, 2006.

Dennis Decker,

Division Administrator, Columbus, Ohio.

[FR Doc. E6–12553 Filed 8–2–06; 8:45 am]

BILLING CODE 4910–22–P

DEPARTMENT OF THE TREASURY**Submission for OMB Review;
Comment Request**

July 26, 2006.

The Department of the Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104-13. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 11000, 1750 Pennsylvania Avenue, NW., Washington, DC 20220.

Dates: Written comments should be received on or before September 5, 2006 to be assured of consideration.

Internal Revenue Service (IRS)

OMB Number: 1545-0890.

Type of Review: Revision.

Title: U.S. Corporation Short-Form Income Tax Return.

Form: 1120-A.

Description: Form 1120-A is used by small corporations, those with less than \$500,000 of income and assets, to compute their taxable income and tax liability. The IRS uses Form 1120-A to determine whether corporations have correctly computed their tax liability.

Respondents: Business and other for-profit institutions.

Estimated Total Burden Hours: 19,626,221 hours.

OMB Number: 1545-1021.

Type of Review: Extension.

Title: Asset Acquisition Statement.

Form: 8594.

Description: Form 8594 is used by the buyer and seller of assets to which goodwill or going concern value can attach to report the allocation of the purchase price among the transferred assets.

Respondents: Businesses and other for-profit institutions.

Estimated Total Burden Hours: 219,462 hours.

OMB Number: 1545-1522.

Type of Review: Extension.

Title: Revenue Procedure 2003-1 and Revenue Procedure 2003-3 26 CFR 601-.201 Rulings and Determination Letters.

Form: REV.PROC.2000-1, REV.PROC.2000-3, and 2005-68.

Description: The information requested in Revenue Procedure 2003-1 under sections 5.05, 6.07, 8.01, 8.02, 8.03, 8.04, 8.05, 8.07, 9.01, 10.06, 10.07, 10.09, 11.01, 11.06, 11.07, 12.12, 13.02,

15.02, 15.03, 15.07, 15.08, 15.09, and 15.11 paragraph(B)(1) of Appendix A, and Appendix C, and question 35 of Appendix C, and in Revenue Procedure 2003-3 under sections 3.01(29), 3.02(1) and (3), 4.01(26), and 4.02(1) and (7)(b) is required to enable the Internal Revenue Service to give advice on filing letter ruling and determination letter requests and to process such requests.

Respondents: Businesses and other for-profit institutions.

Estimated Total Burden Hours: 513,150 hours.

OMB Number: 1545-2000.

Type of Review: Extension.

Title: Notice 2006-XX, Application for Allocation of National Megawatt Capacity Limitation.

Description: This notice provides the time and manner for a taxpayer to apply for an allocation of the national megawatt capacity limitation under Sec. 45j of the Internal Revenue Code. This information will be used to determine the portion of the national megawatt capacity limitation to which a taxpayer is entitled. The likely respondents are corporations and partnerships.

Respondents: Business and other for-profit institutions.

Estimated Total Burden Hours: 600 hours.

Clearance Officer: Glenn P. Kirkland, Internal Revenue Service, Room 6516, 1111 Constitution Avenue, NW., Washington, DC 20224, (202) 622-3428.

OMB Reviewer: Alexander T. Hunt, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503, (202) 395-7316.

Robert Dahl,

Treasury PRA Clearance Officer.

[FR Doc. E6-12548 Filed 8-2-06; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY**Submission for OMB Review;
Comment Request**

July 31, 2006.

The Department of the Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104-13. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 11000, 1750

Pennsylvania Avenue, NW., Washington, DC 20220.

Dates: Written comments should be received on or before September 5, 2006 to be assured of consideration.

Internal Revenue Service (IRS)

OMB Number: 1545-0644.

Type of Review:

Title: Gains and Losses From Section 1256 Contracts and Straddles.

Form: 6781.

Description: Form 6781 is used by taxpayers to compute their gains and losses from Section 1256 contracts and straddles and their special tax treatment. The data is used to verify that the tax reported accurately reflects any such gains and losses.

Respondents: Business and other for-profit institutions.

Estimated Total Burden Hours: 903,236 hours.

Clearance Officer: Glenn P. Kirkland (202) 622-3428, Internal Revenue Service, Room 6516, 1111 Constitution Avenue, NW., Washington, DC 20224.

OMB Reviewer: Alexander T. Hunt (202) 395-7316, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503.

Robert Dahl,

Treasury PRA Clearance Officer.

[FR Doc. E6-12549 Filed 8-2-06; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY**Internal Revenue Service****Proposed Collection; Comment
Request for Form 1040 and Schedules
A, B, C, C-EZ, D, D-1, E, EIC, F, H, J,
R, and SE, Form 1040A and Schedules
1, 2, and 3, and Form 1040EZ, and All
Attachments to These Forms**

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Internal Revenue Service, 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 proposed and continuing information collections, as required by the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). This notice requests comments on all forms used by individual taxpayers: Form 1040, U.S. Individual Income Tax Return, and Schedules A, B, C, C-EZ, D, D-1, E, EIC, F, H, J, R, and SE; Form 1040A and

Schedules 1, 2, and 3; Form 1040EZ; and all attachments to these forms (see the Appendix to this notice).

DATES: Written comments should be received on or before October 2, 2006 to be assured of consideration.

ADDRESSES: Direct all written comments to The OMB Unit, SE:W:CAR:MP:T:T:SP, Internal Revenue Service, Room 6406, 1111 Constitution Avenue, NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Chief, RAS:R:TSBR, NCA 7th Floor, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC 20224, or through the internet at ChiefTSBR@irs.gov.

SUPPLEMENTARY INFORMATION:

PRA Approval of Forms Used by Individual Taxpayers

Under the PRA, OMB assigns a control number to each "collection of information" that it reviews and approves for use by an agency. The PRA also requires agencies to estimate the burden for each collection of information. The burden estimates for each control number are displayed in (1) the PRA notices that accompany collections of information, (2) **Federal Register** notices such as this one, and (3) in OMB's database of approved information collections.

The Individual Taxpayer Burden Model (ITBM) estimates the levels of burden experienced by individual taxpayers when complying with the Federal tax laws. This model reflects major changes over the past two decades in the way taxpayers prepare and file their returns; more than 85 percent of all individual tax returns are prepared

utilizing computer software, either by the taxpayer or a paid provider, and less than 15 are prepared manually. The ITBM's approach to measuring burden focuses on the characteristics and activities of individual taxpayers rather than the forms they use. Key determinants of taxpayer burden in the model are the way the taxpayer prepares the return, e.g. with software or paid preparer, and the taxpayer's activities, e.g. recordkeeping and tax planning.

Burden is defined as the time and out-of-pocket costs incurred by taxpayers to comply with the Federal tax system. The time expended and the out-of-pocket costs are estimated separately. The methodology distinguishes among preparation methods, taxpayer activities, types of individual taxpayer, filing methods, and income levels. Indicators of complexity in tax laws as reflected in tax forms and instructions are incorporated in the model. The preparation methods are:

- Self-prepared without software
- Self-prepared with software
- Used a paid preparer

The types of taxpayer activities measured in the model are:

- Recordkeeping
- Form completion
- Form submission (electronic and paper)
- Tax planning (this activity completed at individual taxpayer discretion)
- Use of services (IRS and paid professional)
- Gathering tax materials

The methodology incorporates results from a burden survey of 14,932 taxpayers conducted in 2000 and 2001, and estimates taxpayer burden based on those survey results. Summary level results using this methodology are presented in the table below.

Taxpayer Burden Estimates

The table below shows burden estimates by form type. Time burden is further broken out by taxpayer activity. The largest component of time burden is record keeping at 60 percent for all taxpayers, as opposed to form completion and submission at only 16 percent. In addition, the time burden associated with form completion and submission activities are closely tied to preparation method. That is, these time burden estimates fluctuate according to preparation method.

Both time and cost burdens are *national averages*, and do not necessarily reflect a "typical" case. The average time burden for all taxpayers filing a 1040, 1040A, or 1040EZ was 23.8 hours, with an average cost of \$204 per return. This average includes all associated forms and schedules, across all preparation methods and all taxpayer activities. Taxpayers filing Form 1040 had an average burden of about 30 hours, and taxpayers filing Form 1040A and Form 1040EZ averaged about 11 hours, respectively. However, within each of these estimates, there is significant variation in taxpayer activity. Similarly, tax preparation fees vary extensively depending on the taxpayer's tax situation and issues, the type of professional preparer and geographic area.

The data shown are the best estimates from tax returns filed for 2005 currently available as of July 11, 2006. The estimates are subject to change as new forms and data become available. The estimates do not include burden associated with post-filing activities. However, operational IRS data indicate that electronically prepared and e-filed returns have fewer errors, implying a lower overall post-filing burden.

DRAFT.—TABLE 1. ESTIMATED AVERAGE TAXPAYER BURDEN FOR INDIVIDUALS, BY ACTIVITY

Major form filed or type of taxpayer	Percentage of Returns	Average time burden (hours)						Average Costs
		Total time	Record keeping	Tax planning	Form completion	Form submission	All other	
All Taxpayers	100	23.8	14.3	3.4	3.3	0.5	2.4	\$204
Major Forms Filed								
1040	70	30.1	18.8	4.0	3.8	0.5	3.0	267
1040A & 1040EZ	30	11.0	4.9	1.9	2.3	0.5	1.3	74
Type of Taxpayer								
Wage and Investment	69	13.1	5.8	2.6	2.9	0.5	1.5	110
Self-Employed	31	52.2	36.9	5.4	4.5	0.5	5.1	453

You are a "Wage and Investment" taxpayer (as defined by IRS) if you did not file a Schedule C, Schedule C-EZ, Schedule E, Schedule F, Form 2106, or Form 2106-EZ. If you filed a Schedule C, Schedule C-EZ, E, or F, Form 2106, or Form 2106-EZ, you are a "Self-Employed taxpayer."

Proposed PRA Submission to OMB

Title: U.S. Individual Income Tax Return.

OMB Number: 1545-0074.

Form Numbers: Form 1040 and Schedules A, B, C, C-EZ, D, D-1, E, EIC, F, H, J, R, and SE; Form 1040A and Schedules 1, 2 and 3; Form 1040EZ; and all attachments to these forms (see the Appendix to this notice).

Abstract: These forms are used by individuals to report their income tax liability. The data is used to verify that the items reported on the forms are correct, and also for general statistics use.

Current Actions: Changes are being made to some of the forms.

Type of Review: Extension of currently approved collections.

Affected Public: Individuals or households.

Estimated Number of Respondents: 133,912,900

Total Estimated Time: 3.18 billion hours.

Estimated Time Per Respondent: 23.8 hours.

Total Estimated Out-of-Pocket Costs: \$26.5 billion.

Estimated Out-of-Pocket Cost Per Respondent: \$204.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB Control Number.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Request for Comments

Comments submitted in response to this notice will be summarized and/or

included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: July 28, 2006.

Glenn P. Kirkland,
IRS Reports Clearance Officer.

Form	Filed by individuals and others	Title
1040		U.S. Individual Income Tax Return.
1040 A		U.S. Individual Income Tax Return.
1040 EZ		Income Tax Return for Single and Joint Filers With No Dependents.
1040 X		Amended U.S. Individual Income Tax Return.
1040 NR		U.S. Nonresident Alien Income Tax Return.
1040 NR-EZ		U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents.
926	X	Return by a U.S. Transferor of Property to a Foreign Corporation.
970	X	Application To Use LIFO Inventory Method.
972	X	Consent of Shareholder To Include Specific Amount in Gross Income.
982	X	Reduction of Tax Attributes Due To Discharge of Indebtedness (and Section 1082 Basis Adjustment).
1040 A-SCH 1		Interest and Ordinary Dividends for Form 1040A Filers.
1040 A-SCH 2		Child and Dependent Care Expenses for Form 1040A Filers.
1040 A-SCH 3		Credit for the Elderly or the Disabled+F66 for Form 1040A Filers.
1040 ES-E		Estimated Tax for Individuals.
1040 ES-OCR		Estimated Tax for Individuals (Optical Character Recognition Without Form 1040V).
1040 ES-OCR-V		Payment Voucher.
1040 ES-OTC		Estimated Tax for Individuals.
1040 ES/V-OCR		Estimated Tax for Individuals (Optical Character Recognition With Form 1040V).
1040 SCH A		Itemized Deductions.
1040 SCH B		Interest and Ordinary Dividends.
1040 SCH C	X	Profit or Loss From Business.
1040 SCH C-EZ	X	Net Profit From Business.
1040 SCH D		Capital Gains and Losses.
1040 SCH D-1		Continuation Sheet for Schedule D.
1040 SCH E	X	Supplemental Income and Loss.
1040 SCH EIC		Earned Income Credit.
1040 SCH F	X	Profit or Loss From Farming.
1040 SCH H	X	Household Employment Taxes.
1040 SCH J		Income Averaging for Farmers and Fishermen.
1040 SCH R		Credit for the Elderly or the Disabled.
1040 SCH SE		Self-Employment Tax.
1040 V		Payment Voucher.
1040 V-OCR		Payment Voucher.
1040 V-OCR-ES		Payment Voucher.
1045	X	Application for Tentative Refund.
1116	X	Foreign Tax Credit.
1128	X	Application To Adopt, Change, or Retain a Tax Year.
1310		Statement of Person Claiming Refund Due a Deceased Taxpayer.
2106 EZ		Unreimbursed Employee Business Expenses.
2106		Employee Business Expenses.
2120		Multiple Support Declaration.
2210 F	X	Underpayment of Estimated Tax by Farmers and Fishermen.
2210	X	Underpayment of Estimated Tax by Individuals, Estates, and Trusts.

Form	Filed by individuals and others	Title
2350		Application for Extension of Time To File U.S. Income Tax Return.
2439	X	Notice to Shareholder of Undistributed Long-Term Capital Gains.
2441		Child and Dependent Care Expenses.
2555 EZ		Foreign Earned Income Exclusion.
2555		Foreign Earned Income.
2848	X	Power of Attorney and Declaration of Representative.
3115	X	Application for Change in Accounting Method.
3468	X	Investment Credit.
3520	X	Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts.
3800	X	General Business Credit.
3903		Moving Expenses.
4029		Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits.
4070 A		Employee's Daily Record of Tips.
4070		Employee's Report of Tips to Employer.
4136	X	Credit for Federal Tax Paid On Fuels.
4137		Social Security and Medicare Tax on Unreported Tip Income.
4255	X	Recapture of Investment Credit.
4361		Application for Exemption From Self-Employment Tax for Use by Ministers, Members of Religious Orders, and Christian Science Practitioners.
4562	X	Depreciation and Amortization.
4563		Exclusion of Income for Bona Fide Residents of American Samoa.
4684	X	Casualties and Thefts.
4797	X	Sales of Business Property.
4835		Farm Rental Income and Expenses.
4852		Substitute for Form W-2 or Form 1099-R.
4868		Application for Automatic Extension of Time To File Individual U.S. Income Tax Return.
4952	X	Investment Interest Expense Deduction.
4970	X	Tax on Accumulation Distribution of Trusts.
4972	X	Tax on Lump-Sum Distributions.
5074		Allocation of Individual Income Tax To Guam or the Commonwealth of the Northern Mariana Islands (CNMI).
5213	X	Election To Postpone Determination as To Whether the Presumption Applies That an Activity Is Engaged in for Profit.
5329		Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts.
5471 SCH J	X	Accumulated Earnings and Profits (E&P) of Controlled Foreign Corporation.
5471 SCH M	X	Transactions Between Controlled Foreign Corporation and Shareholders or Other Related Persons.
5471 SCH N	X	Return of Officers, Directors, and 10%-or-More Shareholders of a Foreign Person Holding Company.
5471 SCH O	X	Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of Its Stock.
5471	X	Information Return of U.S. Persons With Respect To Certain Foreign Corporations.
5713 SCH A	X	International Boycott Factor (Section 999(c)(1)).
5713 SCH B	X	Specifically Attributable Taxes and Income (Section 999(c)(2)).
5713 SCH C	X	Tax Effect of the International Boycott Provisions.
5713	X	International Boycott Report.
5754	X	Statement by Person(s) Receiving Gambling Winnings.
5884	X	Work Opportunity Credit.
6198	X	At-Risk Limitations.
6251		Alternative Minimum Tax—Individuals.
6252	X	Installment Sale Income.
6478	X	Credit for Alcohol Used as Fuel.
6765	X	Credit for Increasing Research Activities.
6781	X	Gains and Losses From Section 1256 Contracts and Straddles.
8082	X	Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR).
8271	X	Investor Reporting of Tax Shelter Registration Number.
8275 R	X	Regulation Disclosure Statement.
8275	X	Disclosure Statement.
8283	X	Noncash Charitable Contributions.
8332		Release of Claim to Exemption for Child of Divorced or Separated Parents.
8379		Injured Spouse Claim and Allocation.
8396		Mortgage Interest Credit.
8453 OL		U.S. Individual Income Tax Declaration for an IRS e-file Online Return.
8453		U.S. Individual Income Tax Declaration for an IRS e-file Return.
8582 CR	X	Passive Activity Credit Limitations.
8582	X	Passive Activity Loss Limitations.
8586	X	Low-Income Housing Credit.
8594	X	Asset Acquisition Statement.
8606		Nondeductible IRAs.
8609 SCH A	X	Annual Statement.
8611	X	Recapture of Low-Income Housing Credit.

Form	Filed by individuals and others	Title
8615		Tax for Children Under Age 14 With Investment Income of More Than \$1,600.
8621 A	X	Return by a Shareholder Making Certain Late Elections to End Treatment as a Passive Foreign Investment Company.
8621	X	Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.
8689		Allocation of Individual Income Tax To the Virgin Islands.
8693	X	Low-Income Housing Credit Disposition Bond.
8697	X	Interest Computation Under the Look-Back Method for Completed Long-Term Contracts.
8801	X	Credit for Prior Year Minimum Tax—Individuals, Estates, and Trusts.
8812		Additional Child Tax Credit.
8814		Parents' Election To Report Child's Interest and Dividends.
8815		Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989.
8818		Optional Form To Record Redemption of Series EE and I U.S. Savings Bonds Issued After 1989.
8820	X	Orphan Drug Credit.
8821	X	Tax Information Authorization.
8822	X	Change of Address.
8824	X	Like-Kind Exchanges.
8826	X	Disabled Access Credit.
8828		Recapture of Federal Mortgage Subsidy.
8829		Expenses for Business Use of Your Home.
8830	X	Enhanced Oil Recovery Credit.
8832	X	Entity Classification Election.
8833	X	Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)
8834	X	Qualified Electric Vehicle Credit.
8835	X	Renewable Electricity and Refined Coal Production Credit.
8836 SCH A		Third Party Affidavit.
8836 SCH B		Third Party Affidavit.
8836 SP		Comprobante de Residencia para los Hijos(as) Calificados(as).
8836 SP—SCH A		Declaracion Jurada del Tercero.
8836 SP—SCH B		Declaracion Jurada del Tercero.
8836		Qualifying Children Residency Statement.
8838	X	Consent To Extend the Time To Assess Tax Under Section 367—Gain Recognition Statement.
8839		Qualified Adoption Expenses.
8840		Closer Connection Exception Statement for Aliens.
8843		Statement for Exempt Individuals and Individuals With a Medical Condition.
8844	X	Empowerment Zone and Renewal Community Employment Credit.
8845	X	Indian Employment Credit.
8846	X	Credit for Employer Social Security and Medicare Taxes Paid on Certain Employee Tips.
8847	X	Credit for Contributions to Selected Community Development Corporations.
8853		Archer MSAs and Long-Term Care Insurance Contracts.
8854		Initial and Annual Expatriation Information Statement.
8858 SCH M	X	Transactions Between Controlled Foreign Disregarded Entity and Filer or Other Related Entities.
8858	X	Information Return of U.S. Persons With Respect to Foreign Disregarded Entities.
8859		District of Columbia First-Time Homebuyer Credit.
8860	X	Qualified Zone Academy Bond Credit.
8861	X	Welfare-to-Work Credit.
8862		Information to Claim Earned Income Credit After Disallowance.
8863		Education Credits.
8864	X	Biodiesel Fuels Credit.
8865 SCH K-1	X	Partner's Share of Income, Credits, Deductions, etc.
8865 SCH O	X	Transfer of Property to a Foreign Partnership.
8865 SCH P	X	Acquisitions, Dispositions, and Changes of Interests in a Foreign Partnership.
8865	X	Return of U.S. Persons With Respect To Certain Foreign Partnerships.
8866	X	Interest Computation Under the Look-Back Method for Property Depreciated Under the Income Forecast Method.
8873	X	Extraterritorial Income Exclusion.
8874	X	New Markets Credit.
8878 SP		Autorizacion de firma para presentar por medio del IRS e-file—Solicitud de prorroga del plazo.
8878		IRS e-file Signature Authorization for Application for Extension of Time to File.
8879 SP		Autorizacion de firma para presentar por medio del IRS e-file.
8879		IRS e-file Signature Authorization.
8880		Credit for Qualified Retirement Savings Contributions.
8881	X	Credit for Small Employer Pension Plan Startup Costs.
8882	X	Credit for Employer-Provided Childcare Facilities and Services.
8885		Health Coverage Tax Credit.
8886	X	Reportable Transaction Disclosure Statement.
8889		Health Savings Accounts (HSAs).
8891		U.S. Information Return for Beneficiaries of Certain Canadian Registered Retirement Plans.

Form	Filed by individuals and others	Title
8896	X	Low Sulfur Diesel Fuel Production Credit.
8898		Statement for Individuals Who Begin or End Bona Fide Residence in a U.S. Possession.
8900	X	Qualified Railroad Track Maintenance Credit.
8901		Information on Qualifying Children Who Are Not Dependents (For Child Tax Credit Only).
8903	X	Domestic Production Activities Deduction.
9465 SP		Peticion para un Plan de Pagos a Plazos.
9465		Installment Agreement Request.
SS-4	X	Application for Employer Identification Number.
SS-8	X	Determination of Employee Work Status for Purposes of Federal Employment Taxes and Income Tax Withholding.
T (Timber)	X	Forest Activities Schedules.
W-4 P		Withholding Certificate for Pension or Annuity Payments.
W-4 S		Request for Federal Income Tax Withholding From Sick Pay.
W-4 SP		Certificado de descuentos del(la) empleado(a) para la retencion.
W-4 V		Voluntary Withholding Request.
W-4		Employee's Withholding Allowance Certificate.
W-5 SP		Certificado del pago por adelantado del Credito por Ingreso del Trabajo.
W-5		Earned Income Credit Advance Payment Certificate.
W-7 A		Application for Taxpayer Identification Number for Pending U.S. Adoptions.
W-7 SP		Solicitud de Numero de Identificacion Personal del Contribuyente al Servicio de Impuestos Internos.
W-7		Application for IRS Individual Taxpayer Identification Number.
Notice 160920-05		Deduction for Energy Efficient Commercial Buildings.
8906		Distills Spirits Credit.
8908		Energy Efficient Home Credit.
8910		Alternative Motor Vehicle Credit.
8911		Alternative Fuel Vehicle Refueling Property Credit.
8914		Exemption Amount For Taxpayers Housing Individuals Displaced by Hurricane Katrina.
8915		Qualified Hurricane Retirement Plan Distribution and Repayments.
1040ES (NR)		U.S. Estimated Tax for Nonresident Alien Individuals.

Note: Regarding the forms that can be filed by individuals and others, only the burden amounts associated with an individual filing this type of form are included in the figures of Table 1. These burden amounts are also included in the estimated 3.18 billion hour total. Burden amounts for non individuals who can file these forms is in the instructions for the form.

[FR Doc. E6-12496 Filed 8-2-06; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY

United States Mint

Notification of Citizens Coinage Advisory Committee August 2006 Public Meeting

SUMMARY: Pursuant to United States Code, Title 31, section 5135(b)(8)(C), the United States Mint announces the Citizens Coinage Advisory Committee (CCAC) public meeting and Public

Forum scheduled for August 18, 2006, at the American Numismatic Association's World's Fair of Money®.

Date: August 18, 2006.

Time: 10 a.m. to 1 p.m. (public meeting followed by Public Forum).

Location: Colorado Convention Center, 700 14th Street, Denver, Colorado 80202.

Subject: Review Little Rock Central High School Desegregation 50th Anniversary Commemorative Coin candidate designs and other business.

Interested persons should call 202-354-7502 for the latest update on meeting time and room location.

Public Law 108-15 established the CCAC to:

- Advise the Secretary of the Treasury on any theme or design proposals relating to circulating coinage, bullion coinage, Congressional Gold Medals, and national and other medals.
- Advise the Secretary of the Treasury with regard to the events, persons, or places to be commemorated

by the issuance of commemorative coins in each of the five calendar years succeeding the year in which a commemorative coin designation is made.

- Make recommendations with respect to the mintage level for any commemorative coin recommended.

FOR FURTHER INFORMATION CONTACT: Cliff Northrup, United States Mint Liaison to the CCAC; 801 Ninth Street, NW.; Washington, DC 20220; or call 202-354-7200.

Any member of the public interested in submitting matters for the CCAC's consideration is invited to submit them by fax to the following number: 202-756-6830.

Authority: 31 U.S.C. 5135(b)(8)(C).

Dated: August 1, 2006.

Patricia Greiner,

Acting Director, United States Mint.

[FR Doc. E6-12645 Filed 8-2-06; 8:45 am]

BILLING CODE 4810-37-P



Federal Register

**Thursday,
August 3, 2006**

Part II

Department of Health and Human Services

Centers for Medicare & Medicaid Services

**42 CFR Parts 414 and 484
Medicare Program; Home Health
Prospective Payment System Rate Update
for Calendar Year 2007 and Deficit
Reduction Act of 2005 Changes to
Medicare Payment for Oxygen Equipment
and Capped Rental Durable Medical
Equipment; Proposed Rule**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 414 and 484

[CMS–1304–P]

RIN 0938–AN76

Medicare Program; Home Health Prospective Payment System Rate Update for Calendar Year 2007 and Deficit Reduction Act of 2005 Changes to Medicare Payment for Oxygen Equipment and Capped Rental Durable Medical Equipment; Proposed Rule

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Proposed rule.

SUMMARY: This proposed rule would set forth an update to the 60-day national episode rates and the national per-visit amounts under the Medicare prospective payment system for home health agencies. In addition, this proposed rule would set forth policy changes related to Medicare payment for certain durable medical equipment for the purpose of implementing sections 1834(a)(5) and 1834(a)(7) of the Social Security Act, as amended by section 5101 of the Deficit Reduction Act of 2005. We are also inviting comments on a number of issues including payments based on reporting quality data and health information technology, as well as how to improve data transparency for consumers.

DATES: To be assured consideration, comments must be received at one of the addresses provided below, no later than 5 p.m. on September 25, 2006.

ADDRESSES: In commenting, please refer to file code CMS–1304–P. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission.

You may submit comments in one of four ways (no duplicates, please):

1. *Electronically.* You may submit electronic comments on specific issues in this regulation to <http://www.cms.hhs.gov/eRulemaking>. Click on the link “Submit electronic comments on CMS regulations with an open comment period.” (Attachments should be in Microsoft Word, WordPerfect, or Excel; however, we prefer Microsoft Word.)

2. *By regular mail.* You may mail written comments (one original and two copies) to the following address ONLY:

Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–

1304–P, P.O. Box 8014, Baltimore, MD 21244–8014.

Please allow sufficient time for mailed comments to be received before the close of the comment period.

3. *By express or overnight mail.* You may send written comments (one original and two copies) to the following address ONLY:

Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–1304–P, Mail Stop C4–26–05, 7500 Security Boulevard, Baltimore, MD 21244–1850.

4. *By hand or courier.* If you prefer, you may deliver (by hand or courier) your written comments (one original and two copies) before the close of the comment period to one of the following addresses. If you intend to deliver your comments to the Baltimore address, please call telephone number (410) 786–7195 in advance to schedule your arrival with one of our staff members.

Room 445–G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201; or 7500 Security Boulevard, Baltimore, MD 21244–1850.

(Because access to the interior of the HHH Building is not readily available to persons without Federal Government identification, commenters are encouraged to leave their comments in the CMS drop slots located in the main lobby of the building. A stamp-in clock is available for persons wishing to retain a proof of filing by stamping in and retaining an extra copy of the comments being filed.)

Comments mailed to the addresses indicated as appropriate for hand or courier delivery may be delayed and received after the comment period.

Submission of comments on paperwork requirements. You may submit comments on this document’s paperwork requirements by mailing your comments to the addresses provided at the end of the “Collection of Information Requirements” section in this document.

For information on viewing public comments, see the beginning of the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: Randy Thronset, (410) 786–0131, or Sharon Ventura, (410) 786–1985 (for issues related to the home health prospective payment system).

Doug Brown, (410) 786–0028 (for issues related to reporting quality data).

Alexis Meholic, (410) 786–2300 (for issues related to implementation of section 5101 of the Deficit Reduction Act of 2005).

SUPPLEMENTARY INFORMATION:

Submitting Comments: We welcome comments from the public on all issues set forth in this rule to assist us in fully considering issues and developing policies. You can assist us by referencing the file code CMS–1304–P and the specific “issue identifier” that precedes the section on which you choose to comment.

Inspection of Public Comments: All comments received before the close of the comment period are available for viewing by the public, including any personally identifiable or confidential business information that is included in a comment. We post all comments received before the close of the comment period on the following Web site as soon as possible after they have been received: <http://www.cms.hhs.gov/eRulemaking>. Click on the link “Electronic Comments on CMS Regulations” on that Web site to view public comments.

Comments received timely would also be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, phone 1–800–743–3951.

I. Background

[If you choose to comment on issues in this section, please include the caption “BACKGROUND” at the beginning of your comments.]

A. Statutory Background

The Balanced Budget Act of 1997 (BBA) (Pub. L. 105–33), enacted on August 5, 1997, significantly changed the way Medicare pays for Medicare home health services. Until the implementation of a home health prospective payment system (HH PPS) on October 1, 2000, home health agencies (HHAs) received payment under a cost-based reimbursement system. Section 4603 of the BBA governed the development of the HH PPS.

Section 4603(a) of the BBA provides the authority for the development of a PPS for all Medicare-covered home health services provided under a plan of care that were paid on a reasonable cost basis by adding section 1895, entitled “Prospective Payment For Home Health Services,” to the Social Security Act (the Act).

Section 1895(b)(1) of the Act requires the Secretary to establish a PPS for all

costs of home health services paid under Medicare.

Section 1895(b)(3)(A) of the Act requires that (1) the computation of a standard prospective payment amount include all costs of home health services covered and paid for on a reasonable cost basis and be initially based on the most recent audited cost report data available to the Secretary, and (2) the prospective payment amounts be standardized to eliminate the effects of case-mix and wage levels among HHAs.

Section 1895(b)(3)(B) of the Act addresses the annual update to the standard prospective payment amounts by the home health applicable increase percentage as specified in the statute.

Section 1895(b)(4) of the Act governs the payment computation. Sections 1895(b)(4)(A)(i) and (b)(4)(A)(ii) of the Act require the standard prospective payment amount to be adjusted for case-mix and geographic differences in wage levels. Section 1895(b)(4)(B) of the Act requires the establishment of an appropriate case-mix adjustment factor that explains a significant amount of the variation in cost among different units of services. Similarly, section 1895(b)(4)(C) of the Act requires the establishment of wage-adjustment factors that reflect the relative level of wages and wage-related costs applicable to the furnishing of home health services in a geographic area compared to the national average applicable level. These wage-adjustment factors may be the factors used by the Secretary for the different area wage levels for purposes of section 1886(d)(3)(E) of the Act.

Section 1895(b)(5) of the Act gives the Secretary the option to grant additions or adjustments to the payment amount otherwise made in the case of outliers because of unusual variations in the type or amount of medically necessary care. Total outlier payments in a given fiscal year cannot exceed 5 percent of total payments projected or estimated.

On December 8, 2003, the Congress enacted the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (Pub. L. 108–173). This legislation affected how we make updates to HH payment rates.

Section 701 of the MMA changed the yearly update cycle of the HH PPS rates from that of a fiscal year to a calendar year update cycle for 2004 and any subsequent year. Generally, section 701(a) of the MMA changed the references in the statute to refer to the calendar year for 2004 and any subsequent year. The changes resulted in updates to the HH PPS rates described as “fiscal year” updates for 2002 and 2003 and as “calendar year” updates for 2004 and any subsequent

year (section 1895(b)(3)(B)(i) of the Act). Beginning on January 1, 2005, HH PPS would now be updated on a calendar year update cycle.

In addition to changing the update cycle for HH PPS rates, section 701 of the MMA made adjustments to the home health applicable increase percentage for 2004, 2005, and 2006. Specifically, section 701(a)(2)(D) of the MMA left unchanged the home health market basket update for the last calendar year quarter of 2003 and the first calendar year quarter of 2004 (section 1895(b)(3)(B)(ii)(II) of the Act). Furthermore, section 701(b)(4) of the MMA set the home health applicable percentage increase for the last 3 quarters of 2004 as the home health market basket (3.1 percent) minus 0.8 percentage point (section 1895(b)(3)(B)(ii)(III) of the Act). We implemented this provision through Pub. 100–20, One Time Notification, Transmittal 59, issued February 20, 2004. Section 701(b)(4) of the MMA also provided that updates for CY 2005 and CY 2006 would equal the applicable home health market basket percentage increase minus 0.8 percentage point. Lastly, section 701(b)(3) of the MMA revised the statute to provide that HH PPS rates for CY 2007 and any subsequent year would be updated by that year’s home health market basket percentage increase (section 1895(b)(3)(B)(ii)(IV) of the Act).

On February 8, 2006, the Congress enacted the Deficit Reduction Act (DRA) of 2005 (Pub. L. 109–171). This legislation made additional changes to HH PPS.

Section 5201 of the DRA changed the CY 2006 update from the applicable home health market basket percentage increase minus 0.8 percentage point to a 0 percent update.

Section 5201 of the DRA amended section 421(a) of the MMA. The amended section 421(a) of the MMA requires for home health services furnished in a rural area (as defined in section 1886(d)(2)(D) of the Act) on or after January 1, 2006 and before January 1, 2007, that the Secretary increase the payment amount otherwise made under section 1895 of the Act for those services by 5 percent. The statute waives budget neutrality for purposes of this increase as it specifically requires that the Secretary not reduce the standard prospective payment amount (or amounts) under section 1895 of the Act applicable to home health services furnished during a period to offset the increase in payments resulting in the application of this section of the statute.

The 0 percent update to the payment rates and the rural add-on provisions of

the DRA were implemented through Pub. 100–20, One Time Notification, Transmittal 211 issued February 10, 2006.

In addition, section 5201(c) of the DRA amends the statute to add section 1895(b)(3)(B)(v) to the Act, requiring HHAs to submit data for purposes of measuring health care quality. This requirement is applicable for 2007 and each subsequent year. For 2007 and each subsequent year, in the case of a HHA that does not submit quality data, the home health market basket percentage increase would be reduced by 2 percentage points.

B. Updates

On July 3, 2000, we published a final rule (65 FR 41128) in the **Federal Register** to implement the HH PPS legislation. That final rule established requirements for the new PPS for HHAs as required by section 4603 of the BBA, and as subsequently amended by section 5101 of the Omnibus Consolidated and Emergency Supplemental Appropriations Act (OCESAA) for Fiscal Year 1999 (Pub. L. 105–277), enacted on October 21, 1998; and by sections 302, 305, and 306 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act (BBRA) of 1999 (Pub. L. 106–113), enacted on November 29, 1999. The requirements include the implementation of a PPS for HHAs, consolidated billing requirements, and a number of other related changes. The PPS described in that rule replaced the retrospective reasonable-cost-based system that was used by Medicare for the payment of home health services under Part A and Part B.

On November 9, 2005, we published a final rule (70 FR 68132), which set forth an update to the 60-day national episode rates and the national per-visit amounts under the Medicare prospective payment system for home health agencies. As part of that final rule, we adopted revised area labor market Metropolitan Statistical Area designations for CY 2006. In implementing the new area labor market designations, we allowed for a one-year transition period. This transition consists of a blend of 50 percent of the new area labor market designations’ wage index and 50 percent of the previous area labor market designations’ wage index. In addition, we revised the fixed dollar loss ratio, which is used in the calculation of outlier payments.

C. System for Payment of Home Health Services

Generally, Medicare makes payment under the HH PPS on the basis of a

national standardized 60-day episode payment, adjusted for case mix and wage index. For episodes with four or fewer visits, Medicare pays on the basis of a national per-visit amount by discipline, referred to as a low utilization payment adjustment (LUPA). Medicare also adjusts the 60-day episode payment for certain intervening events that give rise to a partial episode payment adjustment (PEP adjustment) or a significant change in condition adjustment (SCIC). For certain cases that exceed a specific cost threshold, an outlier adjustment may also be available. For a complete and full description of the HH PPS as required by the BBA and as amended by OCESAA and BBRA, see the July 3, 2000 HH PPS final rule (65 FR 41128).

D. Changes in Payment for Oxygen and Oxygen Equipment and Other Durable Medical Equipment (Capped Rental Items)

The Medicare payment rules for durable medical equipment (DME) are set forth in section 1834(a) of the Act and 42 CFR part 414, subpart D of our regulations. General payment rules for DME are set forth in section 1834(a)(1) of the Act and § 414.210 of our regulations, and § 414.210 also contains paragraphs relating to maintenance and servicing of items and replacement of items. Specific rules for oxygen and oxygen equipment are set forth in section 1834(a)(5) of the Act and § 414.226 of our regulations, and specific rules for capped rental items are set forth in section 1834(a)(7) of the Act and § 414.229 of our regulations. Rules for determining a period of continuous use for the rental of DME are set forth in § 414.230 of our regulations. The Medicare payment basis for DME is equal to 80 percent of either the lower of the actual charge or the fee schedule amount for the item. The beneficiary coinsurance is equal to 20 percent of either the lower of the actual charge or the fee schedule amount for the item.

In accordance with the rules set forth in section 1834(a)(5) of the Act and § 414.226 of our regulations, since 1989, suppliers have been paid monthly for furnishing oxygen and oxygen equipment to Medicare beneficiaries. Suppliers have also been paid an add-on fee for furnishing portable oxygen equipment to patients when medically necessary. Before the enactment of the DRA, these monthly payments continued for the duration of use of the equipment, provided that Medicare Part B coverage and eligibility criteria were met. Medicare covers three types of oxygen delivery systems: (1) Stationary or portable oxygen concentrators, which

concentrate oxygen in room air; (2) stationary or portable liquid oxygen systems, which use oxygen stored as a very cold liquid in cylinders and tanks; and (3) stationary or portable gaseous oxygen systems, which administer compressed oxygen directly from cylinders. Both liquid and gaseous oxygen systems require delivery of oxygen contents.

Medicare payment for furnishing oxygen and oxygen equipment is made on a monthly basis and the fee schedule amounts vary by State. Payment for oxygen contents for both stationary and portable equipment is included in the fee schedule allowances for stationary equipment. Medicare fee schedules for home oxygen equipment are modality neutral; meaning that in a given State, there is one fee schedule amount that applies to all stationary systems and one fee schedule amount that applies to all portable systems.

Effective January 1, 2006, section 5101(b) of the DRA amended the Act at section 1834(a)(5) of the Act, limiting to 36 months the total number of continuous months for which Medicare will pay for oxygen equipment on a rental basis. At the end of the 36-month period, this section mandates that the supplier transfer title to the stationary and portable oxygen equipment to the beneficiary. Section 5101(b) of the DRA does not, however, limit the number of months for which Medicare will pay for oxygen contents for beneficiary-owned stationary or portable gaseous or liquid systems, and payment will continue to be made as long as the oxygen remains medically necessary. Section 5101(b) of the DRA also provides that payment for reasonable and necessary maintenance and servicing of beneficiary-owned oxygen equipment will be made for parts and labor not covered by a supplier's or manufacturer's warranty. In the case of beneficiaries using oxygen equipment on December 31, 2005, the 36-month rental period prescribed by the DRA begins on January 1, 2006.

In accordance with the rules set forth in section 1834(a)(7) of the Act and § 414.229 of our regulations, before the enactment of the DRA, suppliers of capped rental items (that is, other DME not described in paragraphs (2) through (6) of section 1834(a) of the Act) were paid on a rental or purchase option basis. Payment for most items in the capped rental category was made on a monthly rental basis, with rental payments being capped at 15 months or 13 months, depending on whether the beneficiary chose to continue renting the item or to take over ownership of the item through the "purchase option." For all capped rental items, the supplier was

required to inform the beneficiary of his or her purchase option, during the 10th rental month, to enter into a purchase agreement under which the supplier would transfer title to the item to the beneficiary on the first day after the 13th continuous month during which payment was made for the rental of the item. Therefore, if the beneficiary chose the purchase option, rental payments to the supplier would continue through the 13th month of continuous use of the equipment, after which time title to the equipment would transfer from the supplier to the beneficiary. Medicare would also make payment for any reasonable and necessary repair or maintenance and servicing of the equipment following the transfer of title. If the beneficiary did not choose the purchase option, rental payments would continue through the 15th month of continuous use. In these cases, suppliers would maintain title to the equipment but would have to continue furnishing the item to the beneficiary as long as medically necessity continued. Beginning 6 months after the 15th month of continuous use in which payment was made, Medicare would also make semi-annual maintenance and servicing payments to suppliers. These payments were approximately equal to 10 percent of the purchase price for the equipment as determined by the statute. Total Medicare payments made through the 13th and 15th months of rental equal 105 and 120 percent, respectively, of the purchase price for the equipment.

In the case of power-driven wheelchairs, since 1989 payment has also been made on a lump-sum purchase basis at the time that the item is initially furnished to the beneficiary if the beneficiary chooses to obtain the item in this manner. Most beneficiaries choose to obtain power-driven wheelchairs via this lump-sum purchase option.

Effective for items for which the first rental month occurs on or after January 1, 2006, section 5101(a) of the DRA of 2005 amended section 1834(a)(7) of the Act, limiting to 13 months the total number of continuous months for which Medicare will pay for DME in this category. After a 13-month period of continuous use during which rental payments are made, the statute requires that the supplier transfer title to the equipment to the beneficiary. Beneficiaries may still elect to obtain power-driven wheelchairs on a lump-sum purchase agreement basis. In all cases, payment for reasonable and necessary maintenance and servicing of beneficiary-owned equipment will be made for parts and labor not covered by

the supplier's or manufacturer's warranty.

II. Provisions of the Proposed Regulations

[If you choose to comment on issues in this section, please include the caption "PROVISIONS OF THE PROPOSED REGULATIONS" at the beginning of your comments.]

A. National Standardized 60-Day Episode Rate

Medicare HH PPS has been effective since October 1, 2000. As set forth in the final rule published July 3, 2000 in the **Federal Register** (65 FR 41128), the unit of payment under Medicare HH PPS is a national standardized 60-day episode rate. As set forth in § 484.220, we adjust the national standardized 60-day episode rate by a case mix grouping and a wage index value based on the site of service for the beneficiary. The proposed CY 2007 HH PPS rates use the same case-mix methodology and application of the wage index adjustment to the labor portion of the HH PPS rates as set forth in the July 3, 2000 final rule. In the October 22, 2004 final rule, we rebased and revised the home health market basket, resulting in a labor-related share of 76.775 percent and a non-labor portion of 23.225 percent (69 FR 62126). We multiply the national 60-day episode rate by the patient's applicable case-mix weight. We divide the case-mix adjusted amount into a labor and non-labor portion. We multiply the labor portion by the applicable wage index based on the site of service of the beneficiary.

As required by section 1895(b)(3)(B) of the Act, we have updated the HH PPS rates annually in a separate **Federal Register** document. Section 484.225 sets forth the specific annual percentage update. To reflect section 1895(b)(3)(B)(v) of the Act, as added by section 5201 of the DRA, in § 484.225, we are proposing to revise paragraph (g) as follows:

(g) For 2007 and subsequent calendar years, the unadjusted national rate is equal to the rate for the previous calendar year increased by the applicable home health market basket index amount unless the HHA has not submitted quality data in which case the unadjusted national rate is equal to the rate for the previous calendar year increased by the applicable home health market basket index amount minus 2 percentage points.

For CY 2007, we are proposing to use again the design and case-mix methodology described in section III.G of the HH PPS July 3, 2000 final rule (65 FR 41192 through 41203). For CY 2007, we are proposing to base the wage index adjustment to the labor portion of the PPS rates on the most recent pre-floor and pre-reclassified hospital wage index as discussed in section II.F. of this proposed rule (not including any reclassifications under section 1886(d)(8)(B) of the Act).

As discussed in the July 3, 2000 HH PPS final rule, for episodes with four or fewer visits, Medicare pays the national per-visit amount by discipline, referred to as a LUPA. We update the national per-visit amounts by discipline annually by the applicable home health market basket percentage. We adjust the national per-visit amount by the appropriate wage index based on the site of service for the beneficiary as set forth in § 484.230. We propose to adjust the labor portion of the updated national per-visit amounts by discipline used to calculate the LUPA by the most recent pre-floor and pre-reclassified hospital wage index, as discussed in section II.F of this proposed rule.

Medicare pays the 60-day case-mix and wage-adjusted episode payment on a split percentage payment approach. The split percentage payment approach includes an initial percentage payment and a final percentage payment as set forth in § 484.205(b)(1) and § 484.205(b)(2). We may base the initial percentage payment on the submission of a request for anticipated payment (RAP) and the final percentage payment on the submission of the claim for the episode, as discussed in § 409.43. The claim for the episode that the HHA submits for the final percentage payment determines the total payment amount for the episode and whether we make an applicable adjustment to the 60-day case-mix and wage-adjusted episode payment. The end date of the 60-day episode as reported on the claim determines which calendar year rates Medicare would use to pay the claim.

We may also adjust the 60-day case-mix and wage-adjusted episode payment based on the information submitted on the claim to reflect the following:

- A low utilization payment provided on a per-visit basis as set forth in § 484.205(c) and § 484.230.
- A partial episode payment adjustment as set forth in § 484.205(d) and § 484.235.
- A significant change in condition adjustment as set forth in § 484.205(e) and § 484.237.
- An outlier payment as set forth in § 484.205(f) and § 484.240.

This proposed rule reflects the proposed updated CY 2007 rates that would be effective January 1, 2007.

B. Proposed CY 2007 Update to the Home Health Market Basket Index

Section 1895(b)(3)(B) of the Act, as amended by section 5201 of the DRA, requires for CY 2007 that the standard prospective payment amounts be increased by a factor equal to the applicable home health market basket update.

- Proposed CY 2007 Adjustments.

In calculating the annual update for the CY 2007 60-day episode rates, we are proposing to first look at the CY 2006 rates as a starting point. The CY 2006 national 60-day episode rate, as modified by section 5201(a)(4) of the DRA (and implemented through Pub. 100–20, One Time Notification, Transmittal 211 issued February 10, 2006) is \$2,264.28.

In order to calculate the CY 2007 national 60-day episode rate, we are proposing to multiply the CY 2006 national 60-day episode rate (\$2,264.28) by the proposed estimated home health market basket update of 3.1 percent for CY 2007. The proposed estimated home health market basket percentage increase reflects changes over time in the prices of an appropriate mix of goods and services included in covered home health services. The estimated home health market basket percentage increase is generally used to update the HH PPS rates on an annual basis.

We would increase the 60-day episode payment rate for CY 2007 (episodes ending on or after January 1, 2007, and before January 1, 2008) by the proposed estimated home health market basket update (3.1 percent) (\$2,264.28 × 1.031) to yield the proposed updated CY 2007 national 60-day episode rate (\$2,334.47) (see Table 1 below).

TABLE 1.—PROPOSED NATIONAL 60-DAY EPISODE AMOUNTS UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET UPDATE FOR CY 2007, BEFORE CASE-MIX ADJUSTMENT

Total CY 2006 prospective payment amount per 60-day episode	Multiply by the proposed estimated home health market basket update (3.1 Percent) ¹	Proposed CY 2007 updated national 60-day episode rate
\$2,264.28	× 1.031	\$2,334.47

¹ The estimated home health market basket update of 3.1 percent for CY 2007 is based on Global Insight, Inc, 2nd Qtr, 2006 forecast with historical data through 1st Qtr, 2006.

National Per-visit Amounts Used To Pay LUPAs and Compute Imputed Costs Used in Outlier Calculations

As discussed previously in this proposed rule, the policies governing the LUPAs and outlier calculations set forth in the July 3, 2000 HH PPS final

rule would continue during CY 2007. In calculating the annual update for the CY 2007 national per-visit amounts we use to pay LUPAs and to compute the imputed costs in outlier calculations, we are proposing to look again at the CY 2006 rates as a starting point. We then are proposing to multiply those amounts

by the proposed estimated home health market basket update (3.1 percent) for CY 2007 to yield the updated per-visit amounts for each home health discipline for CY 2007 (episodes ending on or after January 1, 2007, and before January 1, 2008) (see Table 2 below).

TABLE 2.—PROPOSED NATIONAL PER-VISIT AMOUNTS FOR LUPAs AND OUTLIER CALCULATIONS UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET UPDATE FOR CY 2007

Home health discipline type	Final CY 2006 per-visit amounts per 60-day episode for LUPAs	Multiply by the proposed estimated home health market basket update (3.1 percent) ¹	Proposed CY 2007 per-visit payment amount per discipline for LUPAs
Home health aide	\$44.76	× 1.031	\$46.15
Medical social services	158.45	× 1.031	163.36
Occupational therapy	108.81	× 1.031	112.18
Physical therapy	108.08	× 1.031	111.43
Skilled nursing	98.85	× 1.031	101.91
Speech-language pathology	117.44	× 1.031	121.08

¹ The estimated home health market basket update of 3.1 percent for CY 2007 is based on Global Insight, Inc, 2nd Qtr, 2006 forecast with historical data through 1st Qtr, 2006.

C. Rural Add-On

As stated above, section 5201(b) of the DRA requires, for home health services furnished in a rural area (as defined in section 1886(d)(2)(D) of the Act) with respect to episodes and visits beginning on or after January 1, 2006 and before January 1, 2007, that the Secretary increase by 5 percent the payment amount otherwise made under section 1895 of the Act. The statute waives budget neutrality related to this provision as it specifically states that the Secretary shall not reduce the standard prospective payment amount (or amounts) under section 1895 of the Act applicable to home health services furnished during a period to offset the

increase in payments resulting in the application of this section of the statute.

While the rural add-on would primarily affect those episodes paid based on CY 2006 rates, it would also affect a number of episodes that would be paid based on CY 2007 rates. For example, an episode that begins on December 20, 2006 and ends on February 17, 2007, for services furnished in a rural area, would be paid based on CY 2007 rates because the episode ends on or after January 1, 2007 and before January 1, 2008; and the episode would also receive the rural add-on because the episode begins on or after January 1, 2006 and before January 1, 2007.

The applicable case-mix and wage index adjustment is subsequently applied to the 60-day episode amount for the provision of home health services where the site of service is the non-Metropolitan Statistical Area (MSA) of the beneficiary. Similarly, the applicable wage index adjustment is subsequently applied to the LUPA per-visit amounts adjusted for the provision of home health services where the site of service for the beneficiary is a non-MSA area. We implemented this provision for CY 2006 on February 13, 2006 through Pub. 100–20, One Time Notification, Transmittal 211 issued February 10, 2006. The 5 percent rural add-on is noted in tables 3 and 4 below.

TABLE 3.—PROPOSED PAYMENT AMOUNTS FOR 60-DAY EPISODES BEGINNING IN CY 2006 AND ENDING IN CY 2007 UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET UPDATE FOR CY 2007 WITH RURAL ADD-ON, BEFORE CASE-MIX ADJUSTMENT

Proposed CY 2007 total prospective payment amount per 60-day episode	5 percent rural add-on	Proposed CY 2007 payment amount per 60-day episode beginning in CY 2006 and before January 1, 2007 and ending in CY 2007 for a beneficiary who resides in a non-MSA area
2,334.47	× 1.05	\$2,451.20

TABLE 4.—PROPOSED NATIONAL PER-VISIT AMOUNTS FOR EPISODES BEGINNING IN CY 2006 AND ENDING IN CY 2007 UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET UPDATE FOR CY 2007 WITH RURAL ADD-ON

Home health discipline type	Proposed CY 2007 per-visit amounts	Multiply by the 5 percent rural add-on	Proposed CY 2007 per-visit payment amount per discipline for 60-day episodes beginning on or after January 1 in CY 2006 and ending in CY 2007 for a beneficiary who resides in a non-msa area
Home health aide	\$46.15	× 1.05	\$48.46
Medical social services	163.36	× 1.05	171.53
Occupational therapy	112.18	× 1.05	117.79
Physical therapy	111.43	× 1.05	117.00
Skilled nursing	101.91	× 1.05	107.01
Speech-language pathology	121.08	× 1.05	127.13

Section 5201(c)(2) of the DRA added section 1895(b)(3)(B)(v)(II) to the Act, requiring that “each home health agency shall submit to the Secretary such data that the Secretary determines are appropriate for the measurement of health care quality. Such data shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this clause.” In addition, section 1895(b)(3)(B)(v)(I) of the Act, as also added by section 5201(c)(2) of the DRA, dictates that “for 2007 and each subsequent year, in the case of a home health agency that does not submit data to the Secretary in accordance with subclause (II) with respect to such a year, the home health market basket percentage increase applicable under such clause for such year shall be reduced by 2 percentage points.”

The Omnibus Budget Reconciliation Act of 1987 (OBRA 87) required the use of a standardized assessment instrument for quality oversight of HHAs. A standardized assessment instrument provides an HHA with a uniform mechanism to assess the needs of their patients and provide CMS with a uniform mechanism to assess the HHA’s ability to adequately address those needs. To fulfill the OBRA 87 mandate, CMS required that, as part of their

comprehensive assessment process, HHAs collect and report Outcome and Assessment Information Set (OASIS) data and later mandated the submission of this data as an HHA condition of participation at 42 CFR 484.20 and 484.55.

The OASIS data provide consumers and HHAs with ten, publicly-reported home health quality measures which have been endorsed by the National Quality Forum (NQF). Reporting this quality data has also required the development of several supporting mechanisms such as the HAVEN software used to encode and transmit data using a CMS standard electronic record layout, edit specifications, and data dictionary. The HAVEN software, which includes the OASIS, has become a standard practice within HHA operations. These early investments in data infrastructure and supporting software that CMS and HHAs have made over the past several years in order to create this quality reporting structure, have made quality reporting and measurement an important component of the HHA industry. The ten measures are:

- (1) Improvement in ambulation/locomotion.
- (2) Improvement in bathing.
- (3) Improvement in transferring.

(4) Improvement in management of oral medications.

(5) Improvement in pain interfering with activity.

(6) Acute care hospitalization.

(7) Emergent care.

(8) Improvement in dyspnea.

(9) Improvement in urinary incontinence.

(10) Discharge to community.

We propose to use OASIS data and the ten quality measures based on those data as the appropriate measure on home health quality. Continuing to use the OASIS instrument would minimize the burden to providers and ensure that costs associated with the development and testing of a new reporting mechanism are not incurred. We believe that at this time the noted ten quality measures are the most appropriate measure of home health quality. Accordingly, for the calendar year (CY) 2007, we propose that the OASIS data, specifically, the ten quality measures, be submitted by HHAs, to meet the requirement that each HHA submit data appropriate for the measurement of health care quality, as determined by the Secretary.

Additionally, section 1895(b)(3)(B)(v)(II) of the Act provides the Secretary with the discretion to submit the required data in a form,

manner, and time specified by him. For CY 2007, we are proposing to consider OASIS data submitted by HHAs to CMS for episodes beginning on or after July 1, 2005 and before July 1, 2006 as meeting the reporting requirement. This reporting time period will allow a full 12 months of data and will provide CMS the time necessary to analyze and make any necessary payment adjustments to the CY 2007 payment rates. HHAs that meet the reporting requirement would be eligible for the full home health market basket percentage increase.

During the next few years, we will be pursuing the development of patient level process measures for home health agencies, as well as continuing to refine the current OASIS tool in response to recommendations from a Technical Expert Panel conducted to review the data elements that make up the OASIS tool. These process measures will refer to specific care practices that are, or are not, followed by the home health agency for each patient. An example of this type of measure may be: the percentage of patients at risk of falls for whom prevention of falls was addressed in the care plan. We expect to introduce these additional measures over 2008 and 2009 so as to complement the existing OASIS outcome measures. During the years leading to calendar year 2010 payments, we will test and refine these measures to determine if they can more accurately reflect the level of quality care being provided at HHAs without being overly burdensome with the data collection instrument. Some process measures are in the very early stages of development. To the extent that evidence-based data are available on which to determine the appropriate measure specifications, and adequate risk-adjustments are made, we anticipate collecting and reporting these measures as part of each agency's home health quality plan. We believe that future modifications to the current OASIS tool including reducing the numbers of questions on the tool,

refining possible responses, as well as adding new process measures will be made. In all cases, we anticipate that any future quality measures should be evidence-based, clearly linked to improved outcomes, and able to be reliably captured with the least burden to the provider. We are also beginning work in order to measure patient experience (in the form of a patient satisfaction survey) of care in the home health setting.

We recognize, however, that the conditions of participation (42 CFR part 484) that require OASIS submission also provide for exclusions from this requirement. Generally, agencies are not subject to the OASIS submission requirement, and thus do not receive Medicare payments, for patients that are not Medicare Beneficiaries or the patients are not receiving Medicare-covered home health services. Under the conditions of participation, agencies are excluded from the OASIS reporting requirement on individual patients if:

- Those patients are receiving only non-skilled services,
- Neither Medicare nor Medicaid is paying for home health care (patients receiving care under a Medicare or Medicaid Managed Care Plan are not excluded from the OASIS reporting requirement),
- Those patients are receiving pre- or post-partum services,
- Those patients are under the age of 18 years.

We believe that the rationale behind the exclusion of these agencies from submitting OASIS on patients excluded from OASIS submission as a condition of participation is equally applicable to HHAs for purposes of meeting the DRA quality requirement. If an agency is not submitting OASIS for patients excluded from OASIS submission as a condition of participation, we believe that the submission of OASIS for quality measures for Medicare payment purposes is also not necessary.

Therefore, we propose that HHAs do not

need to submit quality measures for DRA reporting purposes, for those patients who are excluded from OASIS submission as a condition of participation.

Additionally, we propose that agencies newly certified (on or after May 31, 2006 for payments to be made in CY 2007) be excluded from the DRA reporting requirement as data submission and analysis will not be possible for an agency certified this late in the reporting time period. We propose that in future years, agencies that certify on or after May 31 of the preceding year involved be excluded from any payment penalty under the DRA for the following calendar year. For example, if HHA "X" were to enroll in the Medicare Program on May 30 2007, CMS would expect them to submit the required quality data (unless covered by another exclusion protocol) on or before June 30 2006 (the end of the reporting period for payments effectuated in calendar year 2007. However, if HHA "X" were to enroll in the Medicare Program on May 31, 2006, CMS would automatically exclude them from the requirements under the DRA and the agency would be entitled to the full market basket increase for calendar year 2007. We note these exclusions only affect reporting requirements under the DRA and do not affect the agency's OASIS reporting responsibilities under the conditions of participation.

We propose to require that all HHAs, unless covered by these specific exclusions, meet the reporting requirement, or be subject to a 2 percent reduction in the home health market basket percentage increase in accordance with section 1895(b)(3)(B)(v)(I) of the Act. The 2 percent reduction would apply to all episodes ending on or before December 31, 2007. We provide the reduced payment rates in tables 5, 6, 7, and 8 below.

TABLE 5.—FOR HHAS THAT DO NOT SUBMIT THE REQUIRED QUALITY DATA—PROPOSED NATIONAL 60-DAY EPISODE AMOUNT UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET UPDATE FOR CY 2007, MINUS 2 PERCENT-AGE POINTS, BEFORE CASE-MIX ADJUSTMENT

Total CY 2006 prospective payment amount per 60-day episode	Multiply by the proposed estimated home health market basket update (3.1 percent ¹ minus 2 percent)	Proposed CY 2007 updated national 60-day episode rate for HHAs that do not submit required quality data
\$2,264.28	× 1.011	\$2,289.19

¹ The estimated home health market basket update of 3.1 percent for CY 2007 is based on Global Insight, Inc, 2nd Qtr, 2006 forecast with historical data through 1st Qtr, 2006.

TABLE 6.—FOR HHAS THAT DO NOT SUBMIT THE REQUIRED QUALITY DATA—PROPOSED NATIONAL PER-VISIT AMOUNTS UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET UPDATE FOR CY 2007, MINUS 2 PERCENTAGE POINTS

Home health discipline type	Final CY 2006 per-visit amounts per 60-day episode	Multiply by the proposed estimated home health market basket update (3.1 percent ¹ minus 2 percent)	Proposed CY 2007 per-visit payment amount per discipline for HHAs that do not submit required quality data
Home health aide	\$44.76	× 1.011	\$45.25
Medical social services	158.45	× 1.011	160.19
Occupational therapy	108.81	× 1.011	110.01
Physical therapy	108.08	× 1.011	109.27
Skilled nursing	98.85	× 1.011	99.94
Speech-language pathology	117.44	× 1.011	118.73

¹ The estimated home health market basket update of 3.1 percent for CY 2007 is based on Global Insight, Inc, 2nd Qtr, 2006 forecast with historical data through 1st Qtr, 2006.

TABLE 7.—FOR HHAS THAT DO NOT SUBMIT THE REQUIRED QUALITY DATA—PROPOSED PAYMENT AMOUNT FOR 60-DAY EPISODES BEGINNING IN CY 2006 AND ENDING IN CY 2007 UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET FOR CY 2007, MINUS 2 PERCENTAGE POINTS, WITH RURAL ADD-ON, BEFORE CASE-MIX ADJUSTMENT

Proposed CY 2007 updated national 60-day episode rate for HHAs that do not submit required quality data	5 percent rural add-on	Proposed CY 2007 payment amount per 60-day episode beginning in CY 2006 and ending in CY 2007 for a beneficiary who resides in a non-MSA area for HHAs that do not submit required quality data
\$2,289.19	× 1.05	\$2,403.65

TABLE 8.—FOR HHAS THAT DO NOT SUBMIT THE REQUIRED QUALITY DATA—PROPOSED PER-VISIT PAYMENT AMOUNTS FOR EPISODES BEGINNING IN CY 2006 AND ENDING IN CY 2007 UPDATED BY THE ESTIMATED HOME HEALTH MARKET BASKET FOR CY 2007, MINUS 2 PERCENTAGE POINTS, WITH RURAL ADD-ON

Home health discipline type	Proposed CY 2007 per-visit amounts for HHAs that do not submit required quality data	5 percent rural add-on	Proposed CY 2007 per-visit payment amounts for episodes beginning in CY 2006 and ending in CY 2007 for a beneficiary who resides in a non-MSA area for HHAs that do not submit required quality data
Home health aide	\$45.25	× 1.05	\$47.51
Medical social services	160.19	× 1.05	168.20
Occupational therapy	110.01	× 1.05	115.51
Physical therapy	109.27	× 1.05	114.73
Skilled nursing	99.94	× 1.05	104.93
Speech-language pathology	118.73	× 1.05	124.67

Section 1895(b)(3)(B)(v)(III) of the Act further requires that the “Secretary shall establish procedures for making data submitted under subclause (II) available to the public.” Additionally, the statute requires that “such procedures shall ensure that a home health agency has the opportunity to review the data that is to be made public with respect to the agency prior to such data being made public.” To meet the requirement for making such data public, we are

proposing to continue to use the CMS *Home Health Compare* Web site whereby HHAs are listed geographically. Currently the 10 proposed quality measures are posted on the CMS *Home Health Compare* Web site. Consumers can search for all Medicare-approved home health providers that serve their city or zip code and then find the agencies offering the types of services they need as well as the proposed quality measures. See

<http://www.medicare.gov/HHCompare/Home/>. HHAs currently have access (through the Home Health Compare contractor) to their own agency’s quality data (updated periodically) and we propose to continue this process thus enabling each agency to know how it is performing before public posting of agency quality data on the CMS *Home Health Compare* Web site.

Currently, the CMS *Home Health Compare* Web site does not publicly

report data when agencies have fewer than 20 episodes of care within a reporting period. In light of the DRA requirements we recognize the need to provide the required data to the public and propose to make these statistics available through expansion of the CMS *Home Health Compare* Web site.

In the July 27, 2005 Medicare Payment Advisory Commission (MedPAC) testimony before the U.S. Senate Committee on Finance, MedPAC expressed support for the concept of differential payments for Medicare providers, which could create incentives to improve quality. To support this initiative, MedPAC stated that "outcome measures from CMS' Outcome-based Quality Indicators" (currently collected through the OASIS instrument) "could form the starter set." MedPAC further states "* * * the Agency for Healthcare Research and Quality concur(s) that a set of these measures is reliable and adequately risk adjusted."

The MedPAC testimony recognizes that while the goal of care for many home health patients is improving health and functioning, for some patients the goal of the HHA is to simply stabilize their conditions and prevent further decline. Additionally, the MedPAC testimony reflects that measures of structure and process could also be considered.

Various home health outcome measures are now in common use and have been studied for some time. A number of these measures have been endorsed by the National Quality Forum (NQF) and are evidence-based, well accepted, and not unduly burdensome. When determining outcome measures that would be most appropriate it is important to measure aspects of care that providers can control and are adequately risk-adjusted. Home-based care presents particular difficulties for provider control because patient conditions are compounded by a variety of home environment and support system issues.

We are currently pursuing the development of patient-level process measures for HHAs, as well as refining the current OASIS tool in response to recommendations from a Technical Expert Panel conducted to review the data elements that make up the OASIS tool. These additional measures would complement the existing OASIS outcome measures and would assist us in identifying processes of care that lead to improvements for certain populations of patients. These process measures are currently in the very early stages of development. As we stated previously, to the extent that evidence-based data

are available on which to determine the appropriate measure specifications, and adequate risk-adjustments are made, we anticipate collecting and reporting these measures as part of our home health quality plan. Possible modifications to the current OASIS tool include reducing the numbers of questions on the tool, refining possible responses, as well as adding new process measures.

We are soliciting comments on how to make the outcome measures more useful. We would also like comments on measures of home health care processes for which there is evidence or improved care to beneficiaries. In all cases, measures should be evidence-based, clearly linked to improved outcomes, and able to be reliably captured with the least burden to the provider. We are also considering measures of patient experience of care in the home health setting, as well as efficiency measures, and soliciting comment on the use of the measures and their importance in the home health setting. We would address any changes to the HH PPS quality data submission requirement in future rulemaking.

It is also our intent to provide guidance on the specifications, definitions, and reporting requirements of any additional measures through the standard protocol for measure development.

We are proposing to revise the regulations at 42 CFR § 484.225 to reflect these new payment requirements which require submission of quality data.

E. Outliers and Fixed Dollar Loss Ratio

Outlier payments are payments made in addition to regular 60-day case-mix and wage-adjusted episode payments for episodes that incur unusually large costs due to patient home health care needs. Outlier payments are made for episodes for which the estimated cost exceeds a threshold amount. The episode's estimated cost is the sum of the national wage-adjusted per-visit payment amounts for all visits delivered during the episode. The outlier threshold for each case-mix group, PEP adjustment, or total SCIC adjustment is defined as the 60-day episode payment amount, PEP adjustment, or total SCIC adjustment for that group plus a fixed dollar loss amount. Both components of the outlier threshold are wage-adjusted.

The wage-adjusted fixed dollar loss (FDL) amount represents the amount of loss that an agency must bear before an episode becomes eligible for outlier payments. The FDL is computed by multiplying the wage-adjusted 60-day episode payment amount by the FDL ratio, which is a proportion expressed in

terms of the national standardized episode payment amount. The outlier payment is defined to be a proportion of the wage-adjusted estimated costs beyond the wage-adjusted threshold. The proportion of additional costs paid as outlier payments is referred to as the loss-sharing ratio.

Section 1895(b)(5) of the Act requires that estimated total outlier payments are no more than 5 percent of total estimated HH PPS payments. In response to the concerns about potential financial losses that might result from unusually expensive cases expressed in comments to the October 28, 1999 proposed rule (64 FR 58133), the July 2000 final rule set the target for estimated outlier payments at the 5 percent level. The FDL ratio and the loss-sharing ratio were then selected so that estimated total outlier payments would meet the 5 percent target.

For a given level of outlier payments, there is a trade-off between the values selected for the FDL ratio and the loss-sharing ratio. A high FDL ratio reduces the number of episodes that can receive outlier payments, but makes it possible to select a higher loss-sharing ratio and, therefore, increase outlier payments for outlier episodes. Alternatively, a lower FDL ratio means that more episodes can qualify for outlier payments, but outlier payments per episode must be lower. As a result of public comments on the October 28, 1999 proposed rule, in our July 2000 final rule, we made the decision to attempt to cover a relatively high proportion of the costs of outlier cases for the most expensive episodes that would qualify for outlier payments within the 5 percent constraint.

In the July 2000 final rule, we chose a value of 0.80 for the loss-sharing ratio, which preserves incentives for agencies to attempt to provide care efficiently for outlier cases. A loss-sharing ratio of 0.80 was also consistent with the loss-sharing ratios used in other Medicare PPS outlier policies. Furthermore, we estimated the value of the FDL ratio that would yield estimated total outlier payments that were 5 percent of total home health PPS payments. The resulting value for the FDL ratio, for the July 2000 final rule, was 1.13.

Our CY 2005 update to the HH PPS rates (69 FR 62124) changed the FDL ratio from the original 1.13 to 0.70 to allow more home health episodes to qualify for outlier payments and to better meet the estimated 5 percent target of outlier payments to total HH PPS payments. We stated in that CY 2005 update that we planned to continue to monitor the outlier expenditures on a yearly basis and to make adjustments as necessary (69 FR

62129). To do so, we planned on using the best Medicare data available at the time of publication. For the CY 2005 update, we used CY 2003 home health claims data.

Our CY 2006 update to the HH PPS rates (70 FR 68132) changed the FDL ratio from 0.70 to 0.65 to allow even more home health episodes to qualify for outlier payments and to better meet the estimated 5 percent target of outlier payments to total HH PPS payments. For the CY 2006 update, we used CY 2004 home health claims data.

At this time, we do not have sufficient data to propose any update to the FDL ratio for the CY 2007 update to the HH PPS rates. However, depending on the availability of more recent data at the time of publication of the HH PPS rate update for the CY 2007 final rule, we may, if necessary, implement an update to the FDL ratio for the CY 2007 update to the HH PPS rates. If so, we plan on using the same methodology performed in updating to the current FDL ratio described in the June 2, 2004 proposed rule using any more recent available data.

F. Hospital Wage Index—Revised OMB Definition for Geographical Statistical Areas

Sections 1895(b)(4)(A)(ii) and (b)(4)(C) of the Act require the Secretary to establish area wage adjustment factors that reflect the relative level of wages and wage-related costs applicable to the furnishing of home health services and to provide appropriate adjustments to the episode payment amounts under HH PPS to account for area wage differences. We apply the appropriate wage index value to the labor portion (76.775 percent; see 60 FR 62126) of the HH PPS rates based on the geographic area in which the beneficiary received home health services as discussed in section II.A of this proposed rule. Generally, we determine each HHA's labor market area based on definitions of Metropolitan Statistical Areas (MSAs) issued by the Office of Management and Budget (OMB).

We acknowledged in our October 22, 2004 final rule that on June 6, 2003, the OMB issued an OMB Bulletin (No. 03-04) announcing revised definitions for MSAs, new definitions for Micropolitan Statistical Areas and Combined Statistical Areas, and guidance on using the statistical definitions. A copy of the Bulletin may be obtained at the following Internet address: <http://www.whitehouse.gov/omb/bulletins/b03-04.html>. At that time, we did not propose to apply these new definitions known as Core-Based Statistical Areas (CBSAs). In the November 9, 2005 final

rule, we adopted the OMB-revised definitions to adjust the CY 2006 HH PPS payment rates and revised the regulations at § 484.202 to reflect this proposed change. The Hospital Inpatient PPS (IPPS) also applied these revised definitions as discussed in the August 11, 2004 IPPS final rule (68 FR 49207).

1. Background

As discussed previously and set forth in the July 3, 2000 final rule, the statute provides that the wage adjustment factors may be the factors used by the Secretary for purposes of section 1886(d)(3)(E) of the Act for hospital wage adjustment factors. As discussed in the July 3, 2000 final rule, we are proposing to again use the pre-floor and pre-reclassified hospital wage index data to adjust the labor portion of the HH PPS rates based on the geographic area in which the beneficiary receives the home health services. We believe the use of the pre-floor and pre-reclassified hospital wage index data results in the appropriate adjustment to the labor portion of the costs as required by statute. For the CY 2007 update to the home health payment rates, we would continue to use the most recent pre-floor and pre-reclassified hospital wage index available at the time of publication. See Addenda A and B of this proposed rule, respectively, for the rural and urban hospital wage indices using the CBSA designations. For HH PPS rates addressed in this proposed rule, we use preliminary 2007 pre-floor and pre-reclassified hospital wage index data. We are proposing to incorporate updated hospital wage index data for the 2007 pre-floor and pre-reclassified hospital wage index for use in the final rule for the CY 2007 HH PPS update (not including any reclassifications under section 1886(d)(8)(B) of the Act).

As implemented under the HH PPS in the July 3, 2000 HH PPS final rule, each HHA's labor market is determined based on definitions of MSAs issued by OMB. In general, an urban area is defined as an MSA or New England County Metropolitan Area (NECMA) as defined by OMB. Under § 412.62(f)(1)(iii), a rural area is defined as any area outside of the urban area. The urban and rural area geographic classifications are defined in § 412.62(f)(1)(ii) and § 412.62(f)(1)(iii), respectively, and have been used under HH PPS since it was implemented.

Under the HH PPS, the wage index value is based upon the site of service (defined by section 1861(m) of the Act as the beneficiary's place of residence) for the beneficiary. As has been our longstanding practice, any area not

included in an MSA (urban area) is considered to be nonurban (§ 412.64(b)(1)(ii)(C)) and receives the statewide rural wage index value (see, for example, 65 FR 41173).

2. Current Labor Market Areas Based on MSAs, Including CBSAs

In the August 11, 2004 IPPS final rule (69 FR 49206 through 49034), revised labor market area definitions were adopted at § 412.64(b), which were effective October 1, 2004 for acute care hospitals. The new definitions, including CBSAs, were announced by OMB in late 2000 and were also discussed in greater detail in the July 14, 2005 HH PPS proposed rule in which we proposed to move from MSA-based to CBSA-based wage area designations. For the purposes of this proposed rule, the term "MSA-based" refers to wage index values and designations based on the previous MSA designations. Conversely, the term "CBSA-based" refers to wage index values and designations based on the new OMB revised MSA designations which now include CBSAs. Recently other payment systems such as the inpatient rehabilitation facility PPS, the skilled nursing facility PPS, and Medicare payment for hospice care have been updated to use the new revised labor market area definitions.

Based on public comments received in response to the July 14, 2005 HH PPS proposed rule, we decided to adopt a 1-year transition policy consisting of a 50/50 blend of the CBSA-based wage index values and the MSA-based wage index values. This transition policy is discussed in the November 9, 2005 HH PPS final rule (70 FR 68132, 68138). In the final rule, we also noted that for CY 2007, the HH PPS wage index adjustment would be solely based on a CBSA-based wage index.

3. Proposed Revision to the HH PPS Labor Market Areas

For CY 2007, we are proposing to end the 1 year transition policy (implemented for CY 2006) of using a 50/50 blend of MSA-based and CBSA-based wage area designations. For CY 2007, we are proposing to use 100 percent of the CBSA-based wage area designations for purposes of determining the HH PPS wage index adjustment.

In adopting the CBSA designations, we identified some geographic areas where there were no hospitals, and thus no hospital wage data on which to base the calculation of the CY 2006 home health wage index. For CY 2006, we adopted a policy in the HH PPS final rule (70 FR 68132) to use the CY 2005

pre-floor, pre-reclassified hospital wage index value for rural areas when no rural hospital wage data is available. We also adopted the policy that for urban labor markets without an urban hospital from which a hospital wage index can be derived, all of the urban CBSAs within the State would be used to calculate a statewide urban average wage index to use as a reasonable proxy for these areas. As we stated in the CY 2006 Home Health PPS Final Rule, we believe that this approach serves as a proxy for hospital wage data and provides an appropriate standard that accounts for area wage differences.

For this CY 2007 proposed rule, we are again proposing to apply our policy to use the CY 2005 pre-floor/pre-reclassified hospital wage index for rural areas where no hospital wage data is available.

We have not received any concerns from the industry regarding our policy to calculate a statewide urban average wage index, using all of the urban CBSAs wage index values within the State, for urban labor markets without an urban hospital from which a hospital wage index can be derived.

Consequently, for this CY 2007 proposed rule, we again propose to apply our policy to calculate a statewide urban average wage index for urban areas with no hospital wage data available. For this CY 2007 proposed rule, the following areas will be affected by these policies:

Rural Massachusetts—proposed assigned wage index value of 1.0216; Rural Puerto Rico—proposed assigned wage index value of 0.4047; and Hinesville, GA (CBSA 25980)—proposed assigned wage index value of 0.9163.

We recognize that since the publication of the CY 2006 HH PPS final rule, representatives of the home health industry have expressed concerns with the policy we apply for rural areas where no hospital wage data is available, particularly as applied to rural Massachusetts facilities. In response to these concerns and in recognition that there may be additional rural areas in the future similarly impacted by a lack of hospital wage data on which to derive a hospital wage index, we are considering alternative methodologies to the methodology proposed above, for imputing a rural wage index for areas in States where no hospital wage data are available. We believe that an evaluation of alternative methodologies for imputing a rural wage index in these areas should adhere to four basic policy criteria. First, an alternative methodology should retain

our current longstanding policy to use pre-floor, pre-reclassified hospital wage data to compute wage index values for post acute care facilities, including home health agencies. Second, any methodology to impute a rural wage index should use rural wage data to derive the rural wage index value.

Third, any methodology to impute a rural wage index should be easy to evaluate. Fourth, any methodology to impute a rural wage index would be able to update wage data from year-to-year.

We are specifically considering one alternative to the proposal that meets all of the above policy criteria. Under this alternative, we would impute a rural wage index value by using a simple average CBSA-based rural wage index value at the Census Division level. Census Divisions are defined by the U.S. Census Bureau and may be found at (http://www.census.gov/geo/www/us_regdiv.pdf). As stated above, for CY 2007, hospital wage data are not available to compute a rural wage index for HHAs in rural Massachusetts, and this alternative methodology could be applied in this case. Massachusetts is located in Census Division I (New England). The states in this Census Division, and their respective rural wage index values (using hospital cost report wage data for FY 2003) include: Connecticut (1.1753), Maine (0.8410), New Hampshire (1.0800), Vermont (0.9944), Rhode Island (all five counties classified as urban) and Massachusetts. Using this alternative methodology, the states in Census Division I for which rural wage index values are available, as shown above, would be used resulting in a simple average rural wage index value of 1.0227. Although this methodology results in a rural Massachusetts wage index that is currently greater than the value under the current proposed policy (1.0216), we believe this methodology may be able to accurately reflect future increases and/or decreases of wage data for the States within the applicable census division. Wage indices are intended to be redistributive and should not increase total Medicare spending. We believe that the alternative methodology could be a reasonable proxy as it uses current rural wage index values (using rural hospital wage data) from States within the same census bureau divisions, with similar economics.

As defined by the Census Bureau: “Census divisions are grouping of states and the District of Columbia that are subdivisions of the four census regions.” The Census Bureau further specifically states: “Puerto Rico and the Island Areas are not part of any census

region or census division.” Therefore, because the Census Bureau does not recognize Puerto Rico as part of any of the Census Bureau divisions, we do not believe that it is appropriate to compute the wage index for rural Puerto Rico using the methodology described in the alternative described above.

Consequently, as stated above, we propose to continue to apply the CY 2005 wage index (0.4047) for Puerto Rico to payments for home health services provided to beneficiaries who reside in rural areas of Puerto Rico for CY 2007.

We solicit comments on maintaining our current policy for establishing wage index values for rural and urban areas without hospitals, the alternative approach outlined above in developing wage index values for rural areas without hospitals for CY 2007 and subsequent years, as well as suggestions for determining the wage index for rural Puerto Rico. We note that there are sufficient economic differences between the hospitals in the United States and those in Puerto Rico, and that hospitals in Puerto Rico are paid on a blended Federal/Commonwealth-specific rates. Consequently, any alternative approach/methodology to computing a wage index for rural Puerto Rico would need to take into account those differences. We will also continue to evaluate existing hospital wage data and, possibly, wage data from other sources, such as the Bureau of Labor Statistics, to determine if other methodologies of imputing a wage index value where hospital wage data are not available may be feasible.

G. Payment for Oxygen, Oxygen Equipment and Capped Rental DME Items

This proposed rule would amend our regulations at § 414.226 by revising the payment rules for oxygen and oxygen equipment in paragraph (a), adding a new paragraph (f) that provides that the beneficiary assumes ownership of oxygen equipment on the first day that begins after the 36th continuous month in which rental payments are made, and adding a new paragraph (g) that contains new supplier requirements that we believe are necessary in light of the amendments made to section 1834(a)(5) of the Act by section 5101(b) of the DRA. This proposed rule would amend our regulations at § 414.226 by adding a new paragraph (c) that establishes new classes and national payment amounts for oxygen and oxygen equipment based on our authority in section 1834(a)(9)(D) of the Act. We are also revising paragraph (b) of this section to incorporate the special payment rules for oxygen equipment mandated by

section 1834(a)(21) of the Act. The provisions of section 1834(a)(21), which we believe are self-implementing, resulted in adjustments to Medicare payment amounts for oxygen contents and stationary oxygen equipment as well as portable oxygen equipment in 2005, which were implemented through program instructions. We are now seeking to codify these changes to make our regulations consistent with the payment methodology for these items in 2005 and 2006, and because the payment reductions mandated by section 1834(a)(21) are incorporated into our proposal, as more fully discussed in section I below, to create new payment classes for oxygen and oxygen equipment. This proposed rule would redesignate old paragraph (c) of this section as paragraph (d) and would amend this paragraph to indicate under what situations payments would be made for the items and services described in new paragraph (c). Finally, this proposed rule would redesignate old paragraph (d) of this section as paragraph (e) and would make technical changes to this paragraph so that the cross-references are accurate in light of the other changes we are proposing to make to § 414.226.

This proposed rule would also amend our regulations at § 414.229 by revising the payment rules for capped rental durable medical equipment (DME) items (also called capped rental items) in paragraph (a), revising paragraph (f) to provide for new payment rules for capped rental items furnished beginning on or after January 1, 2006, revising paragraph (g) to provide for supplier requirements that we believe are necessary in light of the amendments made to section 1834(a)(7)(A) of the Act by section 5101(a) of the DRA, and adding a new paragraph (h) to address the lump-sum purchase option for power-driven wheelchairs furnished on or after January 1, 2006. The language in current paragraphs (f) and (g) of this section is obsolete, and therefore, we would propose to delete this language.

This proposed rule would amend our regulations at § 414.210 by revising the maintenance and servicing rules in paragraph (e) and the replacement of equipment rules in paragraph (f) to further implement the new supplier requirements that we are proposing below.

Finally, we are proposing to revise § 414.230(b) to incorporate section 5101(b)(2)(B) of the DRA, which provides that for all beneficiaries receiving oxygen equipment paid for under section 1834(a) on December 31, 2005, the period of continuous use begins on January 1, 2006. We are also

proposing to revise § 414.230(f), which governs when a new period of continuous use begins if a beneficiary receives new equipment, to account for the fact that oxygen equipment is paid on a modality neutral basis.

Section 5101(a) of the DRA changes the Medicare payment methodology for capped rental equipment to beneficiary ownership after 13 months of continuous use, for those beneficiaries who need the equipment for more than 13 months. This section also makes the transfer of title for the capped rental items a requirement rather than a beneficiary option after 13 months of continuous use. The changes made by this section of the DRA apply to capped rental items, including rented power-driven wheelchairs, for which the first rental month occurs on or after January 1, 2006. We are proposing to update § 414.229 of our regulations to reflect these new statutory requirements. However, for capped rental items and rented power-driven wheelchairs for which the first rental month occurred before January 1, 2006, the existing rules in § 414.229 would continue to apply. In addition, as was the case before enactment of the DRA, beneficiaries may elect to obtain power-driven wheelchairs furnished on or after January 1, 2006, on a lump-sum purchase basis.

Section 5101(b) of the DRA changes the Medicare payment methodology for oxygen equipment from continuous rental to beneficiary ownership after 36 months of continuous use, for those beneficiaries who medically need the oxygen equipment for more than 36 months. For beneficiaries who were receiving oxygen equipment on December 31, 2005 for which payment was made under section 1834(a) of the Act, the 36-month rental period began on January 1, 2006. For beneficiaries who begin to rent oxygen equipment on or after January 1, 2006, the 36-month rental period commences at the time they begin to rent the equipment. We are proposing to update § 414.226 of our regulations to incorporate these new requirements.

In light of the changes made by sections 5101(a) and (b) of the DRA, we believe it is necessary to propose additional supplier requirements in order to maintain beneficiary protections and access to oxygen, oxygen equipment, and capped rental DME items under section 1834(a) of the Act. For both capped rental DME items and oxygen equipment, the DRA amendments make the transfer of title from the supplier to the beneficiary a requirement rather than an option after the statutorily-prescribed rental period

ends for each category of items. Therefore, suppliers and beneficiaries should be aware that title to these items will automatically transfer to the beneficiary if the medical need for the equipment continues for a period of continuous use that is longer than 36 months for oxygen equipment and 13 months for capped rental items. We are concerned that there may be incentives for suppliers to avoid having to transfer title to equipment to beneficiaries as required by the DRA. For example, we are aware of cases where a supplier has informed beneficiaries that it would decline to accept assignment for capped rental items and would charge beneficiaries who elected the purchase option the full retail price for the item during the 13th rental month (which was right before the supplier would be required to transfer title under the purchase option). In these cases, the beneficiary would become financially liable for the total retail price for the equipment in the 13th month if they elected the purchase option. We are making several proposals relating to the furnishing of oxygen equipment and capped rental items which we believe protect beneficiaries from these types of abusive practices and which we believe are reasonable for a supplier to comply with. Our authority to promulgate these requirements stems from our authority to administer the payment rules at section 1834(a)(5) of the Act for oxygen equipment and section 1834(a)(7) of the Act for capped rental items, as well as the general authority provided in section 1871 of the Act for prescribing regulations necessary for administering the Medicare program. Other than the length of the rental periods, which the DRA made effective beginning on January 1, 2006 for all oxygen equipment and for capped rental items for which the first rental period began on or after that date, we are proposing that the requirements presented in this section of the regulations would be effective on January 1, 2007, and would apply to suppliers that furnish oxygen equipment or capped rental items on a rental basis.

We believe that a supplier of an item that is subject to these new payment rules that furnishes the item in the first month for which a rental payment is made has an obligation to continue furnishing the item to the beneficiary for the entire period of medical need in which payments are made, up to and including the time when title to the equipment transfers to the beneficiary. We believe it is reasonable for the beneficiary to have an expectation that he or she will not be forced to change

equipment or suppliers during the period of medical need unless he or she wants to. Therefore, we are proposing that unless an exception applies, the supplier that furnishes oxygen equipment or a capped rental item for the first month of the statutorily prescribed rental period must continue to furnish the oxygen equipment or the capped rental item for as long as the equipment remains medically necessary, up to and including the last month for which a rental payment is made by Medicare. We believe that this proposal is necessary to ensure beneficiary access to equipment during a period of medical need, which we believe could be jeopardized if suppliers have the option to take back the rented equipment just before the rental period expires in order to retain title to that equipment. We propose that this requirement would be subject to the following exceptions: (1) Cases where the item becomes subject to a competitive acquisition program implemented in accordance with section 1847(a) of the Act; (2) cases where a beneficiary relocates on either a temporary or permanent basis to an area that is outside the normal service area of the initial supplier; (3) cases where the beneficiary chooses to obtain equipment from a different supplier; and (4) other cases where CMS or the carrier determine that an exception is warranted. We have proposed rules in connection with the first exception in our Notice of Proposed Rulemaking for Competitive Acquisition for Certain Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) and Other Issues. These proposed rules are addressed beginning on page 25662 of the May 1, 2006, **Federal Register**. If the second exception applies, we propose that the supplier or beneficiary would need to arrange for another supplier in the new area to furnish the item on either a temporary or permanent basis. This proposed exception is consistent with what currently happens when beneficiaries move outside a supplier's service area on either a temporary or permanent basis. The third exception is intended to protect a beneficiary's right to obtain the equipment from the supplier of his or her choice. Finally, we are proposing to allow other exceptions to this proposed requirement on a case-by-case basis at the discretion of CMS or the Medicare contractor. CMS will be monitoring the case-by-case determinations made by the Medicare contractor.

We are concerned that there might be potential incentives for a supplier to

replace more valuable or newer equipment used by the beneficiary with less valuable or older equipment from its inventory at some point before the 36th rental month for oxygen equipment or 13th rental month for capped rental DME expires in order to avoid losing title to the more valuable equipment. In order to avoid such potential situations, we propose that the supplier may not provide different equipment from that which was initially furnished to the beneficiary at any time during the 36-month period for oxygen equipment or 13th rental month for capped rental DME unless one of the following exceptions applies: (1) The equipment is lost, stolen, or irreparably damaged; (2) the equipment is being repaired while loaner equipment is in use; (3) there is a change in the beneficiary's medical condition such that the equipment initially furnished is no longer appropriate or medically necessary; or (4) the carrier determines that a change in equipment is warranted. However, we are proposing that a change from one oxygen equipment modality to another without physician documentation that such a change is medically necessary for the individual would not be considered a change in equipment that is warranted under the fourth exception stated above since there is no medical basis for the change. In those cases where the equipment is replaced, we propose that the replacement item must be equipment that is, at minimum, in the same condition as the equipment being replaced. This proposal is intended to safeguard beneficiary access to quality oxygen equipment and capped rental items throughout the duration of the rental period.

Under Medicare, suppliers who furnish items of DME can accept assignment on all claims for Medicare services or on a claim-by-claim basis. Assignment is an agreement between the supplier and the beneficiary under which the supplier agrees to request direct payment from Medicare for the item, to accept 80 percent of the Medicare allowed payment amount for the item from the carrier, and to charge the beneficiary not more than the remaining 20 percent of the Medicare approved payment amount, plus any unmet deductible. If a supplier elects not to accept assignment, Medicare pays the beneficiary 80 percent of the Medicare allowed payment amount, after subtracting any unmet deductible, and there is no limit under Title XVIII of the Act on the amount the supplier can charge the beneficiary for rental of the DME item. The beneficiary, in these situations, is financially responsible for

the difference between 80 percent of the Medicare allowed payment amount and the amount the supplier charges for the rental of the DME item.

Section 1842(h) allows suppliers to sign a participation agreement where the supplier agrees voluntarily, before a calendar year, to accept assignment for all Medicare items and services furnished to a beneficiary for the following calendar year. Current supplier participation agreements are renewable annually. However, the agreements do not apply for a full period of medical need for specific beneficiaries in cases where such need extends for more than a calendar year. Nor do current participation agreements apply to periods of medical need where such a period overlaps calendar years. In the latter case, while a supplier may renew its participation agreement annually, a beneficiary would not know before choosing a supplier whether the supplier would be willing to accept assignment of all claims during the 13-month or 36-month rental period.

In order for the beneficiary to make an informed choice, we propose that before furnishing the oxygen equipment or a capped rental item, the supplier must disclose to the beneficiary its intentions regarding whether it will accept assignment of all monthly rental claims for the equipment during the period of medical necessity, up to and including the 36th month of continuous use for oxygen equipment or the 13th rental month of continuous use for capped rental DME in which rental payments could potentially be made. We believe that it is reasonable for the supplier to disclose to each beneficiary its intentions regarding assignment of claims for all months during a rental period as this decision has a direct financial effect on the beneficiary. A supplier's intentions could be expressed in the form of a written agreement between the supplier and a beneficiary. This proposal would require suppliers to give beneficiaries advance notice of the possible extent of their financial liability during the period of medical need in which monthly rental payments are made for the equipment, so that they can use this information to help select a supplier. Additionally, to promote informed beneficiary choices, we plan to post information on a CMS and/or CMS contractor Web site(s) indicating supplier specific information on oxygen equipment and capped rental items such as (1) the percentage of beneficiaries for whom each supplier accepted assignment during a prior period of time (for example, a quarter), and/or (2) the percentage of cases in which the supplier accepted assignment

during the beneficiary's entire rental period. We believe that these proposals create reasonable rules for suppliers that furnish oxygen equipment and capped rental items and ensure that beneficiaries have information necessary to make informed choices that could have significant financial consequences for them.

H. Payment for Oxygen Contents for Beneficiary-Owned Oxygen Equipment

Section 1834(a)(5) of the Act, as amended by section 5101(b)(1) of the DRA, requires that Medicare continue to make monthly payments for the delivery and refilling of oxygen contents for the period of medical need after beneficiaries own their own gaseous or liquid oxygen stationary or portable equipment. Before the enactment of the DRA, Medicare made monthly payments for the delivery and refilling of oxygen contents for beneficiaries who own their own stationary and/or portable equipment (equipment they obtained on a purchase basis before June 1, 1989, out-of-pocket, or before they enrolled in Medicare Part B). In accordance with the DRA, we propose that after the supplier transfers title to the stationary and/or portable oxygen equipment to the beneficiary, Medicare would continue to make separate monthly payments for gaseous or liquid oxygen contents until medical necessity ends. We are also proposing that if the beneficiary-owned equipment is replaced, and Medicare pays for the replacement in accordance with proposed revised § 414.210(f) (see section K of this proposed rule for a more complete discussion of our proposed oxygen equipment replacement policies), a new 36-month rental period start and the payment for oxygen contents would be included in the monthly rental payments. We are proposing that all oxygen content payment amounts would be based on new rates developed in accordance with our proposal to establish new payment classes, as discussed in section I below.

In transferring title to gaseous or liquid oxygen equipment used during the 36-month rental period, we propose that suppliers must transfer title for all equipment that will meet the beneficiary's continued medical need, including those oxygen cylinders or vessels that are refilled at the supplier's place of business. Customary practice by

suppliers for refilling oxygen contents is to deliver to the beneficiary cylinders filled with contents and take back the empty cylinders to the supplier's place of business to refill the oxygen contents. Under our proposal, title would transfer for both sets of cylinders, meaning the ones that are being used by the beneficiary for the month and the ones that the supplier refills in its business location and delivers for use during the next subsequent month. This policy would apply to both gaseous and liquid oxygen stationary equipment and portable systems. Similarly, in those cases where the beneficiary uses an oxygen equipment system which includes a compressor which fills portable gaseous cylinders in the beneficiary's home, we propose that suppliers must transfer title for this equipment to the beneficiary.

Concerns have been raised regarding beneficiary access to, and safety issues associated with, the delivery of oxygen contents for beneficiary-owned stationary and portable gaseous or liquid equipment. We believe that these concerns are based on the misconception that beneficiaries become responsible for filling their own cylinders. To the contrary, there are numerous State and Federal regulations governing the safe handling, filling, and transport of oxygen and those regulations are unaffected by the DRA oxygen provisions. We expect that suppliers will continue to furnish replacement contents for beneficiary-owned gaseous and liquid systems in the same way that they have furnished replacement contents for beneficiary-owned equipment in the past. For example, suppliers that deliver a one-month supply of gaseous cylinders to a beneficiary's home at the same time that they are picking up empty cylinders that the beneficiary used during the previous month could continue this practice under section 5101(b) of the DRA.

I. Classes of Oxygen and Oxygen Equipment

Based on information from paid Medicare claims with dates of service in calendar year 2004, distribution of usage among the four general categories of oxygen systems was: (a) 69 percent of beneficiaries used both a stationary concentrator (which does not require delivery of oxygen contents) and a portable system that requires delivery of

gaseous or liquid oxygen, (b) 5 percent of beneficiaries used a stationary system that requires delivery of gaseous or liquid oxygen and a portable system that requires delivery of gaseous or liquid oxygen, (c) 24 percent of beneficiaries used a stationary concentrator system only, and (d) 2 percent of beneficiaries used only a stationary system that requires delivery of liquid or gaseous oxygen. The prevalent use of stationary concentrator systems is due, in part, to the fact that this system is the most cost-effective and dependable of the stationary oxygen modalities. The main reason that the concentrator system is the most cost-effective system is that the oxygen is concentrated from room air, and therefore, the high cost of delivering contents to the beneficiary's residence is removed when this system is used. Medicare's current payment structure results in two separate payments for beneficiaries using both stationary and portable systems, both of which are modality neutral, meaning that the payment amount does not differ depending on the type of oxygen delivery system (gaseous, liquid, or concentrator) that is furnished. One payment, hereinto referred to as the "stationary payment," includes payment for the rental of stationary equipment, delivery of stationary oxygen contents (for gaseous or liquid systems), and delivery of portable oxygen contents (for gaseous or liquid systems). A separate add-on payment, hereinto referred to as the "portable add-on," is also made in cases where the beneficiary is renting portable oxygen equipment. As a result of this payment methodology which has been in place since 1989, suppliers have a financial incentive to furnish low cost concentrator systems as opposed to more expensive gaseous or liquid systems because the monthly payment is the same regardless of which system is used. Finally, in implementing section 1834(a)(5) and (9) of the Act, monthly payment amounts were established through regulations at § 414.226 for (1) stationary and portable oxygen contents (for beneficiaries who use stationary and, if applicable, portable equipment), and (2) portable oxygen contents only (for beneficiaries who only use portable oxygen equipment).

The current average statewide monthly payment amounts are:

Equipment & contents		Oxygen contents only	
Stationary pmt	\$199	Stationary & portable	\$156
Portable add-on	32	Portable only	21

Based on our data, 36 percent of Medicare beneficiaries continue using oxygen equipment for more than three years, that is, beyond the 36th month after which title for the equipment would transfer to the beneficiary in accordance with the DRA.

We have heard concerns about the appropriateness of the current payment structure for oxygen and oxygen equipment in light of changes in the technologies for oxygen delivery systems that have occurred since 1989, and these concerns have been amplified in light of the recent changes made by the DRA. The specific concerns pertain to beneficiary access to (1) portable oxygen contents after title to the equipment transfers to the beneficiary, (2) devices that allow a beneficiary to fill portable tanks at home (otherwise referred to in the oxygen equipment industry as transfilling systems), and (3) portable oxygen concentrators. As we implement the DRA provisions for oxygen equipment and propose to promulgate additional supplier requirements, we want to ensure that the Medicare payment methodology results in payments for oxygen and oxygen equipment that are accurate, do not impede beneficiary access to innovations in technology, and do not create inappropriate incentives for suppliers.

Some believe that Medicare's stationary payment for equipment and contents (average of \$199) is "too high" and that Medicare's payment for portable oxygen contents only for beneficiary-owned portable equipment (average of \$21) is "too low". While some contend that the overall payment (stationary payment plus portable add-on) for oxygen and oxygen equipment is adequate as long as the beneficiary continues to rent the equipment, they are concerned about the adequacy of Medicare's \$21 monthly payment for furnishing oxygen contents for beneficiary-owned portable equipment. Some believe that Medicare's current average monthly payment of \$156 for oxygen contents, which includes payment for both stationary and portable systems, is high enough to create an incentive for suppliers to furnish stationary oxygen systems that require the ongoing delivery of oxygen contents, rather than stationary concentrator systems that do not require delivery of oxygen contents.

Some technologies provide an attachment to a stationary oxygen concentrator that allows beneficiaries to fill their own portable tanks at home. Delivery of portable oxygen contents to the beneficiary's home is, therefore, not necessary since this equipment refills

the beneficiary's rented or owned portable oxygen tanks. This transfilling technology eliminates the need for frequent and costly trips by a supplier to a beneficiary's home to refill portable oxygen tanks and would save the Medicare program and beneficiaries who use portable equipment the expense of paying for delivery of portable oxygen contents. We note that we are not aware that a similar "transfilling" technology has been developed that would be capable of filling stationary tanks in the beneficiary's home. Therefore, there remains a need for ongoing delivery of gaseous or liquid oxygen contents for stationary equipment. In accordance with the DRA, after 36 months of continuous use, title for the transfilling equipment and accompanying portable oxygen tanks would transfer to the beneficiary who would then own a portable equipment system that self-generates oxygen in their home. However, some are concerned that current Medicare payment rules that allow payment for oxygen contents for stationary equipment creates an incentive for suppliers to furnish stationary oxygen equipment that require liquid or gaseous oxygen deliveries, rather than concentrators and transfilling equipment that self-generate oxygen in the beneficiary's home. In addition, portable oxygen concentrators are now available that meet both the beneficiary's stationary and portable oxygen needs. Some have raised concern about whether the combination of the Medicare stationary payment and portable add-on payment (approximately \$231 per month), which is what is currently paid for portable oxygen concentrators, is sufficient to facilitate use of this new technology which, like a transfilling system, eliminates the need for delivery of oxygen contents, but is more expensive than a "standard" or "non-portable" concentrator.

In light of these concerns, we are proposing regulatory changes to address the Medicare payment rates for oxygen and oxygen equipment. We are proposing to address these issues by using our authority under section 1834(a)(9)(D) of the Act to establish separate classes and monthly payment rates for items of oxygen and oxygen equipment. Specifically, there are two changes we are proposing for oxygen and oxygen equipment:

1. We propose to establish a new class and monthly payment amount for oxygen generating portable oxygen equipment (for example, portable concentrators and transfilling systems).

2. We propose to establish separate classes and monthly payment amounts for gaseous and liquid oxygen contents that must be delivered for beneficiary-owned stationary and portable oxygen equipment.

The first change involves creating a new separate class for portable oxygen systems that generate their own oxygen and therefore eliminate the need for delivery of oxygen contents (for example, portable concentrator systems or transfilling systems). A higher monthly payment amount would be allowed, as described below, for these systems to account for the increased, up-front costs to the supplier of furnishing these more expensive concentrator or transfilling systems, which would be partially offset by the reduced payments that the supplier would receive from the Medicare program and beneficiaries due to the fact that these systems do not require the delivery of oxygen contents.

The second change involves creating two separate classes (stationary contents only and portable contents only) and monthly payment rates for furnishing oxygen contents for beneficiary-owned stationary and portable systems. Currently, the combined average monthly payment amount of \$156 for furnishing oxygen contents for beneficiary-owned stationary and portable systems includes payment for both stationary contents and portable contents. The current fee schedule amounts for oxygen contents are based on calendar year data from 1986 for the combined average Medicare monthly payment for both stationary and portable contents divided by number of rental months for stationary liquid and gaseous oxygen equipment. As a result, the current combined stationary/portable contents payment results in Medicare payments for portable contents even in those cases where the beneficiary does not use portable oxygen equipment. Under our proposal to create one payment class for oxygen contents used for stationary equipment, and a separate class for oxygen contents used for portable equipment, new national monthly payment amounts for stationary contents delivery and portable contents delivery would be established by splitting the combined payment of \$156 into two new payments as explained below. This change would increase the monthly payment for furnishing portable oxygen contents and would address the concerns that the monthly payment rate of \$21 is too low for the delivery and filling of portable tanks after the beneficiary assumes ownership of the equipment in accordance with the DRA.

In order to achieve budget neutrality for the new classes of oxygen and increase payment amounts for furnishing portable contents, we would need to reduce other Medicare oxygen payment rates. Budget neutrality would require that Medicare's total spending for all modalities of stationary and portable systems, including contents, be the same under the proposed change as they would be without the change.

We would propose to achieve budget neutrality by reducing the current monthly payment amounts (the stationary payment) for stationary oxygen equipment and oxygen contents (for stationary or portable equipment) made during the rental period. This reduction in payment is necessary to offset increased payments for the changes identified above and to meet the requirement in section 1834(a)(9)(D)(ii) that the classes and payments be established in a budget neutral fashion. In most cases, suppliers furnish Medicare beneficiaries with stationary oxygen concentrators. These devices can be purchased for \$1,000 or less and the current, average Medicare payment of \$199 pays suppliers \$1,990 over 10 months. We believe that these facts indicate that making a reduction (from \$199 on average to \$177) in Medicare payment for this relatively inexpensive oxygen equipment in order to pay oxygen suppliers adequately for furnishing portable oxygen contents and more expensive portable oxygen equipment technologies is warranted. With this approach, the proposed new classes, as well as proposed new national monthly payment rates, would be as follows:

1. Stationary Payment: \$177.
2. Portable Add-On: \$32.
3. Oxygen Generating Portable Equipment Add-On (portable concentrators or transfilling systems): \$64.
4. Stationary Contents Delivery: \$101.
5. Portable Contents Delivery: \$55.

We provide a detailed discussion of the payment rate calculations/adjustments in the paragraphs that follow. Under the proposed new oxygen and oxygen equipment class structure described above, in those cases where the beneficiary needs both stationary and portable oxygen, monthly payments of \$241 or \$209 (proposed revised stationary payment of \$177 plus one of two proposed portable equipment payments, \$32 or \$64) would be made during rental months 1 through 36. The stationary payment (which includes payment for stationary equipment, as well as oxygen contents for stationary and portable systems) of \$177 would be made during rental months 1 through 36

for beneficiaries who only need stationary oxygen and oxygen equipment. Monthly payments of \$101 for stationary oxygen contents and/or \$55 for portable oxygen contents would be made in cases where beneficiaries own their stationary and/or portable oxygen equipment. As explained in more detail in the paragraphs that follow, the \$101 payment is for stationary oxygen contents only and is derived from the current payment of \$156, which is made for both stationary and portable oxygen contents. The \$55 payment for portable oxygen contents only is also derived from the current payment of \$156 that is made for both stationary and portable oxygen contents and would replace the current statewide portable oxygen contents fees (average of \$21), which was based on a relatively small number of claims and allowed services compared to the number of claims and allowed services that were used in computing the statewide fees (average of \$156) for a combination of stationary and portable oxygen contents.

As noted above, the proposed national payment rates for delivery of oxygen contents for beneficiary owned gaseous/liquid equipment were derived from the current average payment for a combined oxygen contents delivery of \$156. We propose to establish \$101, or 65 percent of \$156, as the monthly payment rate for delivery of larger, heavier, beneficiary-owned stationary gaseous oxygen cylinders or liquid oxygen vessels and \$55, or 35 percent of \$156, as the monthly payment rate for delivery of smaller, lighter, beneficiary-owned portable gaseous oxygen cylinders or liquid oxygen vessels. The 65/35 split is based on our understanding that there are higher costs associated with delivering stationary tanks (cylinders of gaseous oxygen and vessels of liquid oxygen) which are approximately twice as large as the portable tanks. Such costs include supplier overhead costs, including the costs to purchase, maintain, and dispatch trucks, obtain insurance, and purchase fuel. The 65/35 split is intended to account for the difference in costs associated with the size of the tanks. Larger tanks take up more space on the trucks, take longer to fill, are harder to move, and result in increased fuel costs.

We estimate that the increase from \$21 to \$55 in the monthly payment rate for delivery of oxygen contents for beneficiary-owned portable equipment will result in increased expenditures of approximately \$22 million over a 24 month period, or \$11 million annually. This figure is based on current data on utilization of portable oxygen by Medicare beneficiaries.

The add-on payment amount of \$64 for the oxygen generating portable equipment class was calculated based on data indicating long term savings generated from use of equipment that eliminated the need for payment of \$55 per month for portable oxygen contents. The first step in calculating the proposed \$64 payment for oxygen generating portable equipment involves the computation of a national, enhanced, modality neutral monthly payment amount of \$241 for new technology systems (stationary concentrators and transfilling systems, as well as portable concentrators), which was derived from the sum of the current average stationary payment (\$199), the current average portable add-on payment (\$32), and an additional \$10 to pay suppliers for furnishing more expensive equipment that eliminates the need for delivery of portable oxygen contents. Specifically, we calculated the modality neutral increased payment (that is, \$10 above the current combination of the stationary payment and portable add-on payment) by estimating potential savings that the Medicare program would realize as a result of not having to pay for delivery of oxygen contents for beneficiary-owned portable oxygen systems in the fourth and fifth years of use. We calculated the increased payment to be equal to potential savings from not delivering oxygen contents. In calculating this increased payment, we are only factoring in savings from the fourth and fifth years of use since we assume that most beneficiaries will elect to obtain replacement equipment after the 5-year reasonable useful lifetime for their equipment has expired. Since our data indicates that 35.8 percent of beneficiaries will use oxygen equipment for more than three years, and that approximately 74 percent of these beneficiaries use portable equipment, the \$10 amount is calculated based on the following formula, and is rounded to the nearest dollar:

$$\frac{((.358 \times \$55) \times 24 \text{ months}) \times .74}{36 \text{ months}}$$

We estimate that the additional \$10 payment per month for oxygen generating portable equipment (transfilling units and portable concentrators) will result in increased expenditures of approximately \$15 million over a 36 month period, or \$5 million annually. This figure is based on current data on utilization of stationary and portable oxygen by Medicare beneficiaries over 36 months.

The second step in calculating the proposed \$64 add-on payment for the

proposed new class of oxygen generating portable equipment involves subtracting the proposed new stationary payment. Therefore, the national monthly payment of \$241 computed in the first step above would be reduced by \$177, the proposed new adjusted stationary payment amount, to arrive at the proposed add-on payment of \$64 for just the oxygen generating portable equipment. In addition, to offset the increased annual payments of approximately \$16 million that will result from increased payments for portable oxygen contents (\$11 million) and newer technology oxygen generating portable equipment (\$5 million), we would propose to decrease the current stationary payment by \$22 (\$199 – \$177). We estimate that this offset would result in annual Medicare savings of approximately \$16 million, and would therefore offset the increased payments for new technology oxygen generating portable equipment and delivery of oxygen contents for other beneficiary-owned portable equipment. We are proposing that these fees be established on a nationwide basis due to the fact that the variation in the current statewide fee schedule amounts for oxygen and oxygen equipment, as well as the portable equipment add-on payment, are currently only 3 percent and 5 percent, respectively.

We are proposing that the \$64 add-on payment would be made for oxygen generating portable equipment only if the equipment eliminates the need for delivery or portable oxygen contents. However, if transfilling equipment is used in connection with a stationary oxygen concentrator (whether as an integrated system component or as a separate part) to both deliver stationary oxygen and fill portable oxygen tanks, Medicare would make both a \$177 stationary payment for the stationary oxygen concentrator and stationary oxygen contents, and a separate \$64

oxygen generating portable equipment payment for the portable oxygen transfilling equipment.

There are also portable oxygen transfilling products that are not part of or used in conjunction with a stationary oxygen concentrator. These products are only used to fill portable oxygen tanks in the beneficiary's home. If the beneficiary is using one of these products, Medicare would make a \$64 oxygen generating portable equipment payment. If the patient is also renting any type of stationary oxygen equipment (gaseous, liquid, or concentrator), Medicare would make a separate, additional \$177 stationary equipment payment for that equipment.

If a portable oxygen concentrator is furnished, Medicare would make the \$64 oxygen generating portable equipment add-on payment if the portable oxygen concentrator is used as both the beneficiary's stationary oxygen equipment and portable oxygen equipment. In this case, the portable oxygen concentrator equipment would fall under both the stationary oxygen equipment class and the oxygen generating portable equipment class. Therefore, the \$177 stationary payment would also be made in this situation, since the equipment being furnished meets the beneficiary's needs for both stationary and portable oxygen equipment. In this case, it would be necessary for the supplier to use two HCPCS codes to bill for this device since it is being used as both the stationary and portable oxygen equipment for the beneficiary. If the beneficiary owns any type of stationary equipment (concentrator, liquid, or gaseous), and is also furnished with a portable oxygen concentrator, only the oxygen generating payment of \$64 would be made (that is, the supplier would not also receive the \$177 payment) and the portable oxygen concentrator equipment would fall

under the oxygen generating portable equipment class because it is only being used to meet the beneficiary's need for portable oxygen equipment. Finally, if, the beneficiary is renting any type of stationary equipment (concentrator, liquid, or gaseous), and is also furnished with a portable oxygen concentrator, the oxygen generating add-on payment of \$64 would be paid for the portable oxygen concentrator and the stationary payment of \$177 would be paid separately for the stationary oxygen equipment and contents.

In summary, we are proposing new payment classes for oxygen contents for beneficiary-owned stationary equipment, oxygen contents for beneficiary-owned portable equipment, and oxygen generating portable equipment. Payments for oxygen contents for beneficiary-owned portable equipment and oxygen generating portable equipment would exceed what is currently paid for these items to ensure access to portable oxygen regardless of the type of equipment used. These increased payments would be offset by a reduction in the stationary payment. The six broad categories of oxygen equipment used by beneficiaries are as follows:

- A. Concentrator and liquid or gaseous portable equipment
- B. Concentrator and/or oxygen generating portable equipment
- C. Liquid or gaseous stationary equipment and liquid or gaseous portable equipment
- D. Liquid or gaseous stationary equipment and oxygen generating portable equipment
- E. Concentrator only
- F. Liquid or gaseous stationary equipment only

Based on our proposed new payment classes, Medicare payment under these six categories would be as follows:

Category	Equipment rental and contents	Contents for beneficiary-owned equipment
A	\$209 (\$177 + \$32)	\$55
B	241 (\$177 + \$64)	0
C	209 (\$177 + \$32)	156 (\$101 + \$55)
D	241 (\$177 + \$64)	101
E	177	0
F	177	101

We are proposing to revise our regulations in order to implement these new payment classes and payment amounts, effective for claims with dates of service on or after January 1, 2007.

J. Payment for Maintenance and Servicing of Oxygen and Oxygen Equipment and Capped Rental Items

Immediately following passage of the DRA, concerns were raised regarding the ability of a beneficiary to obtain

maintenance and servicing of his or her DME once he or she has taken title to it. We believe that these concerns are largely based on misconceptions that the beneficiary will “be on his or her own” in terms of maintenance and

servicing of equipment and submission of claims for payment for these services. We believe that these concerns are unfounded because Medicare payment has traditionally been made for reasonable and necessary repair and maintenance of beneficiary-owned DME. In addition, section 1834(a)(5)(F)(ii)(II)(bb) of the Act, as amended by section 5101(b)(1)(B) of the DRA, requires that Medicare continue to pay for reasonable and necessary maintenance and servicing for parts and labor that is not covered under a manufacturer's or supplier's warranty in amounts determined to be appropriate by the Secretary.

Medicare has also traditionally paid for loaner equipment used while the beneficiary's equipment is being repaired, or in some cases, when the beneficiary does not have access to the equipment (for example, in cases when a natural disaster such as a hurricane forces the beneficiary to be evacuated from his or her home). We are proposing to continue Medicare payment for such loaner equipment.

We are not aware of instances where beneficiaries have encountered problems in finding suppliers to provide maintenance and servicing of beneficiary-owned DME. Section 414.210(e) of our regulations currently provides that reasonable and necessary charges for maintenance and servicing of DME are those charges made for parts and labor not otherwise covered under a manufacturer's or supplier's warranty. This definition has been applied in paying claims for maintenance and servicing of beneficiary-owned DME for several years, and the wording of this regulatory definition is parallel to that used in amended sections 1834(a)(7)(A)(iv) and (a)(5)(F)(ii)(II)(bb) of the Act in describing the "maintenance and servicing" payments that are permitted for capped rental DME and oxygen equipment after title has transferred to the beneficiary. We are proposing to continue use of this existing regulatory definition to define "maintenance and servicing" in section 5101 of the DRA. We would, however, also propose to apply our existing policy of not covering certain routine maintenance or periodic servicing of purchased equipment, such as testing, cleaning, regulating, changing filters, and general inspection of beneficiary-owned DME that can be done by the beneficiary or caregiver, to beneficiary-owned oxygen equipment and to continue that policy for beneficiary-owned capped rental equipment. As specified in current program instructions at section 110.2.B of chapter 15 of the Medicare Benefit

Policy Manual (Pub. 100-02), "the owner [of the equipment] is expected to perform such routine maintenance rather than a retailer or some other person who charges the beneficiary." We expect that the supplier, when transferring title to the equipment to the beneficiary, would also provide to the beneficiary any operating manuals published by the manufacturer which describe the servicing an owner may perform to properly maintain the equipment. We also believe that these owner manuals are commonly available at the various manufacturer Web sites. In addition, the Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) supplier standards at § 424.57(c)(12) require suppliers to provide the beneficiary with necessary information and instructions on how to use DME items safely and effectively. We believe that after receiving this information, and after becoming familiar with the equipment during the 13 or 36 month rental period, the beneficiary and/or caregiver should be very knowledgeable regarding the routine maintenance required for the item. All non-routine maintenance of beneficiary-owned oxygen equipment and capped rental items which would need to be performed by authorized technicians would be covered as reasonable and necessary maintenance and servicing. Examples of the types of maintenance that would be covered are currently listed in program instructions at section 110.2.B of chapter 15 of the Medicare Benefit Policy Manual (Pub. 100-02) and include "breaking down sealed components and performing tests which require specialized testing equipment not available to the beneficiary."

We are proposing that maintenance and servicing of beneficiary-owned oxygen equipment and capped rental items would be reasonable and necessary if it is non-routine maintenance and servicing necessary to make the equipment serviceable. Payment is currently made under the Medicare program for parts and labor associated with repairing beneficiary-owned DME. Medicare allowed payment amounts for replacement parts are currently paid based on the carrier's individual consideration of the item. With regard to replacement parts for beneficiary-owned oxygen equipment or capped rental equipment, we propose that the carrier pay for the parts in a lump sum amount based on its consideration of the cost of the item, as is consistent with what our carriers currently do when evaluating maintenance and servicing claims for other beneficiary-owned DME.

Currently, payment for labor is based on 15-minute increments in amounts that are established by the carriers and updated on an annual basis by the same factor specified in section 1834(a)(14) of the Act, which is used to update fee schedule amounts for DME. We are proposing that the carriers use the same fee for labor that is currently used in paying for labor associated with repairing, maintaining, and servicing other beneficiary-owned DME, as we are not aware of any past problems associated with access to these services paid at these rates. We believe that the current methods and fees used by carriers in paying for maintenance and servicing of beneficiary-owned DME are reasonable given that we are not aware of any past problems associated with access to these services paid at these rates. In most cases, neither the Medicare program nor the beneficiary actually pays the full amount for repairing or maintaining an item since manufacturer warranties that cover all or part of these costs are widespread. For example, some manufacturers of commonly used oxygen concentrators offer full warranties that cover all parts and labor for 5 years. Rules in § 414.210(f) regarding replacement of DME that has been in continuous use for the equipment's reasonable useful lifetime provide that the beneficiary can elect to obtain replacement equipment after the reasonable useful lifetime for the equipment has expired. Therefore, we believe that the beneficiary should incur little, if any, expense for repair or maintenance of necessary equipment in cases where manufacturer warranties exist that cover parts and labor necessary to repair a new item during a 5-year period.

K. Payment for Replacement of Beneficiary-Owned Oxygen Equipment, Capped Rental Items, and Associated Supplies and Accessories

Medicare has traditionally paid for replacement beneficiary-owned DME after the expiration of the equipment's useful lifetime (see § 414.210(f) and § 414.229(g) of our regulations), and for replacement supplies and accessories used in conjunction with beneficiary-owned DME when these supplies and accessories are necessary for the effective use of the DME (see § 110.3 of Chapter 15 of the Medicare Benefit Policy Manual (Pub. 100-02)). Examples of supplies include drugs and administration sets used with infusion pumps. Examples of accessories include masks and tubing used with respiratory equipment. We are proposing to apply these policies to beneficiary-owned oxygen equipment, as well as the

supplies and accessories used in conjunction with this equipment, and to continue to apply these policies to beneficiary-owned capped rental items, as well as the supplies and accessories used in conjunction with these items.

Specifically, we are proposing to update § 414.210(f) and § 414.229(g) of our regulations to reflect that payment may be made for the replacement of beneficiary-owned oxygen equipment and capped rental DME in cases where the item is lost, stolen, or irreparably damaged, or in cases where the item has been in continuous use for its reasonable useful lifetime. We propose that payment for the replacement be made on a rental basis in accordance with the payment rules in § 414.226 for oxygen equipment and § 414.229 for capped rental items. We also propose to revise § 414.229 to reflect that these proposed changes to the replacement policy for beneficiary-owned capped rental items only apply to those items for which the first rental month occurs on or after January 1, 2007 since the DRA does not apply to capped rental items for which the first rental month occurs before January 1, 2006. The current rules will remain in place for capped rental items to which the DRA does not apply.

We are aware that some manufacturer warranties may cover replacement of oxygen or capped rental equipment within a certain time period after the item is furnished. As was our policy prior to the enactment of DRA (see § 110.2.C of Chapter 15 of the Medicare Benefit Policy Manual (Pub. 100-02)), we are proposing that Medicare not pay for the replacement of beneficiary-owned oxygen equipment or capped rental items covered by a manufacturer's or supplier's warranty. In cases where equipment replacement is not covered by a manufacturer's or supplier's warranty, we propose that the supplier must still replace beneficiary-owned oxygen equipment or beneficiary-owned capped rental items at no cost to the beneficiary or to the Medicare program if: (1) The total accumulated costs, as illustrated in the example below, to repair the item after transfer of title to the beneficiary exceed 60 percent of the replacement cost; and (2) the item has been in continuous use for less than its reasonable useful lifetime, as established in accordance with the procedures set forth in proposed revised § 414.210(f). For example, a capped rental item that can be replaced for \$1,000 (total of fee schedule payments after 13 rental months) and for which title has transferred to the beneficiary in accordance with section 1834(a)(7)(A)(ii) of the Act can be used

to illustrate what we mean when we use the term "accumulated costs" above. In this example, if Medicare has paid a total of \$500 for 3 repairs necessary to make the item functional, and a fourth repair costing \$200 is needed in order to make the item functional, the accumulated costs for repair in this case will equal \$700, which exceeds \$600 or 60 percent of the \$1,000 cost to replace the item. In this case, and therefore the supplier would be required to furnish a replacement item. The greater than 60 percent of cost threshold for replacement is consistent with the threshold repair costs that can result in the replacement of prosthetics (artificial limbs) in accordance with section 1834(h)(1)(G) of the Act. We believe this threshold should apply to oxygen equipment and capped rental items as well, because artificial limbs, like these items, are built to withstand repeated use.

We propose that the supplier be responsible for the cost of the replacement equipment because we believe that the item in this case did not last for the entire reasonable useful lifetime. After the beneficiary acquires title to the item, the supplier that transferred title would be responsible for furnishing the replacement item. We are proposing this provision to safeguard the beneficiary from receiving, and the Medicare program from paying for, substandard equipment, and to avoid creating an incentive for suppliers to increase the number of claims submitted for repairs in an effort to recover revenue lost as a result of DRA section 5101. We believe that this requirement is not unreasonable since suppliers should be furnishing items in good working order and are otherwise bound by regulations at § 424.57(c)(15) to accept returns from beneficiaries of substandard items. Exceptions to this rule may be granted by CMS or the carrier as appropriate (for example, the supplier would not be responsible for replacing an item in need of repair due to beneficiary neglect or abuse).

L. Periods of Continuous Use

Rules that apply in determining a period of continuous use for rental of DME are found at § 414.230 of our regulations. We are proposing that these rules would continue to apply in implementing section 5101 of the DRA, with one exception. The rules in § 414.230(f) provide that a new period of continuous use begins for new or additional equipment prescribed by a physician and found to be medically necessary, even if the new or additional

equipment is similar to the old equipment.

Medicare payments for stationary and portable oxygen and oxygen equipment are currently modality neutral, which means that the same payment amounts apply to the different types of oxygen equipment furnished to Medicare beneficiaries. Since there is no distinction made between oxygen equipment modalities for payment purposes under the Medicare program, we do not believe that it is necessary or appropriate to begin a new period of continuous use when the beneficiary changes from one oxygen equipment modality to another. We are proposing to revise § 414.230(f) of our regulations to designate the existing language in this section as paragraph (f)(1) and to add a new paragraph (f)(2) to reflect this exception, effective for oxygen equipment furnished on or after January 1, 2007. We are also proposing to revise § 414.230(b) to incorporate section 5101(b)(2)(B) of the DRA, which provides that for all beneficiaries receiving oxygen equipment paid for under section 1834(a) on December 31, 2005, the period of continuous use begins on January 1, 2006.

M. Health Care Information Transparency and Health Information Technology

(If you choose to comment on issues in this section, please include the caption "Health Care Information Transparency and Health Information Technology" at the beginning of your comment.)

In the April 25, 2006 Inpatient Prospective Payment Systems proposed rule (71 FR 23996), we discussed in detail the Health Care Information Transparency Initiative and our efforts to promote effective use of health information technology (HIT) as a means to help improve health care quality and improve efficiency. Specifically, with regard to the transparency initiative, we discussed several potential options for making pricing and quality information available to the public (71 FR 24120 through 24121). We solicited comments on ways the Department can encourage transparency in health care quality and pricing whether through its leadership on voluntary initiatives or through regulatory requirements. We also sought comments on the Department's statutory authority to impose such requirements. In addition, we discussed the potential for HIT to facilitate improvements in the quality and efficiency of health care services (71 FR 24100 through 24101). We solicited comments on our statutory authority to encourage the adoption and

use of HIT. The 2007 Budget states that “the Administration supports the adoption of health information technology (IT) as a normal cost of doing business to ensure patients receive high quality care.” We also sought comments on the appropriate role of HIT in potential value-based purchasing programs, beyond the intrinsic incentives of a PPS to provide efficient care, encourage the avoidance of unnecessary costs, and increase quality of care. In addition, we sought comments on promotion of the use of effective HIT and how CMS can encourage its use in HHAs.

We intend to consider both the health care information transparency initiative and the use of HIT as we refine and update all Medicare payment systems. Therefore, we seek comments on these initiatives as applied to HH PPS in this proposed rule, including the Department’s statutory authority to impose any such requirements. We may address these initiatives in the final HH PPS rule. For example, a HIT proposal could include adding a requirement that HHAs use HIT that is compliant with and certified by the Certification Commission for Health Information Technology (CCHIT) in the areas in which the technology is available. As noted previously, we currently collect home health quality information and propose to collect additional quality data and report it on the CMS Home Health Compare Web site. We note that we are in the process of seeking input on these initiatives in various proposed Medicare payment rules being issued this year.

III. Collection of Information Requirements

Under the Paperwork Reduction Act of 1995, we are required to provide 60-day notice in the **Federal Register** and solicit public comment before a collection of information requirement is submitted to the Office of Management and Budget (OMB) for review and approval. In order to fairly evaluate whether an information collection should be approved by OMB, section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 requires that we solicit comment on the following issues:

- The need for the information collection and its usefulness in carrying out the proper functions of our agency.
- The accuracy of our estimate of the information collection burden.
- The quality, utility, and clarity of the information to be collected.
- Recommendations to minimize the information collection burden on the affected public, including automated collection techniques.

We are soliciting public comment on each of these issues for the following sections of this document that contain information collection requirements:

Section 414.226—Oxygen and Oxygen Equipment

This section proposes to require a supplier to disclose to the beneficiary whether or not the supplier will accept assignment of all monthly rental claims for oxygen equipment for the duration of the 36-month rental period.

The burden associated with this requirement is the time and effort put forth by the supplier to disclose this information. While this information collection is subject to the PRA, we believe this requirement meets the requirements of 5 CFR 1320.3(b)(2), and as such, the burden associated with this requirement is exempt from the PRA.

Section 414.229—Other Durable Medical Equipment-Capped Rental Items

This section proposes to require a supplier to disclose to the beneficiary whether or not the supplier will accept assignment of all monthly rental claims for capped rental DME for the duration of the 13-month rental period.

The burden associated with this requirement is the time and effort put forth by the supplier to disclose this information. While this information collection is subject to the PRA, we believe this requirement meets the requirements of 5 CFR 1320.3(b)(2), and as such, the burden associated with this requirement is exempt from the PRA.

We have submitted a copy of this proposed rule to OMB for its review of the information collection requirements described above. These requirements are not effective until they have been approved by OMB.

If you comment on these information collection and recordkeeping requirements, please mail copies directly to the following:

Centers for Medicare & Medicaid Services, Office of Strategic Operations and Regulatory Affairs, Division of Regulations Development, Attn: Melissa Musotto, [CMS–1304–P], Room C4–26–05, 7500 Security Boulevard, Baltimore, MD 21244–1850; and
Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503, Attn: Carolyn Lovett, CMS Desk Officer, CMS–1304–P, carolyn_lovett@omb.eop.gov. Fax (202) 395–6974.

IV. Response to Comments

Because of the large number of public comments we normally receive on **Federal Register** documents, we are not able to acknowledge or respond to them individually. We would consider all comments we receive by the date and time specified in the DATES section of this preamble, and, when we proceed with a subsequent document, we would respond to the comments in the preamble to that document.

V. Regulatory Impact Analysis

[If you choose to comment on issues in this section, please include the caption “REGULATORY IMPACT ANALYSIS” at the beginning of your comments.]

A. Overall Impact

We have examined the impacts of this rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review), the Regulatory Flexibility Act (RFA) (September 19, 1980, Pub. L. 96–354), section 1102(b) of the Social Security Act, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), and Executive Order 13132.

Executive Order 12866 (as amended by Executive Order 13258, which merely reassigns responsibility of duties) directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects (\$100 million or more in any 1 year). This proposed rule would be a major rule, as defined in Title 5, United States Code, section 804(2), because we estimate the impact to the Medicare Program, and the annual effects to the overall economy, would be more than \$100 million. The update set forth in this proposed rule would apply to Medicare payments under HH PPS in CY 2007. Accordingly, the following analysis describes the impact in CY 2007 only. We estimate that there would be an additional \$420 million in CY 2007 expenditures attributable to the CY 2007 proposed estimated home health market basket update of 3.1 percent.

The RFA requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small government agencies. Most hospitals and most other providers and suppliers

are small entities, either by nonprofit status or by having revenues of \$6 million to \$29 million in any 1 year. For purposes of the RFA, approximately 75 percent of HHAs are considered small businesses according to the Small Business Administration's size standards with total revenues of \$11.5 million or less in any 1 year. Individuals and States are not included in the definition of a small entity. As stated above, this proposed rule would provide an update to all HHAs for CY 2007 as required by statute. This proposed rule would have a significant positive effect upon small entities that are HHAs.

Based on our analysis of 2003 claims data, we also estimate that approximately 90 percent of registered DME suppliers are considered small businesses according to the Small Business Administration's size standards. The size standard for NAICS code, 532291, Home Health Equipment Rental is \$6 million. (*see* <http://www.sba.gov/size/sizetable2002.html>, read May 9, 2005.) This proposed rule would reduce payments for oxygen equipment and capped rental items; and therefore, would have a significant negative effect upon small entities that are DME suppliers overall. However, as explained in detail below, we believe that Medicare payments would still be adequate for the items affected by this rule and that suppliers whose primary line of business involves furnishing these items will remain profitable.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 603 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 100 beds. We have determined that this proposed rule would not have a significant economic impact on the operations of a substantial number of small rural hospitals.

Section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in expenditure in any 1 year by State, local, or tribal governments, in the aggregate, or by the private sector, of \$120 million. We believe this proposed rule would not mandate expenditures in that amount.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final

rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. We have reviewed this rule under the threshold criteria of Executive Order 13132, Federalism. We have determined that this proposed rule would not have substantial direct effects on the rights, roles, and responsibilities of States.

B. Anticipated Effects

1. Home Health PPS

This proposed rule would update the HH PPS rates contained in Pub. 100-20, One Time Notification, Transmittal 211, published February 10, 2006. We updated the rates in the CY 2006 final rule (70 FR 68132, November 9, 2005) through Transmittal 211 to take account of the DRA changes, specifically the 0 percent update and the rural add-on. The impact analysis of this proposed rule presents the projected effects of the proposed change from the CY 2006 transition wage index (50/50 blend of MSA-based and CBSA-based designations) to the CY 2007 proposed CBSA-based designations in determining the wage index used to calculate the HH PPS rates for CY 2007. We estimate the effects by estimating payments while holding all other payment variables constant. We use the best data available, but we do not attempt to predict behavioral responses to these changes, and we do not make adjustments for future changes in such variables as days or case-mix.

This analysis incorporates the latest estimates of growth in service use and payments under the Medicare home health benefit, based on the latest available Medicare claims from 2004. We note that certain events may combine to limit the scope or accuracy of our impact analysis, because such an analysis is future-oriented and, thus, susceptible to forecasting errors due to other changes in the forecasted impact time period. Some examples of such possible events are newly-legislated general Medicare program funding changes made by the Congress, or changes specifically related to HHAs. In addition, changes to the Medicare program may continue to be made as a result of the BBA, the BBRA, the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, the MMA, the DRA, or new statutory provisions. Although these changes may not be specific to HH PPS, the nature of the Medicare program is such that the changes may interact, and the complexity of the interaction of these changes could make it difficult to

predict accurately the full scope of the impact upon HHAs.

Our discussion for this proposed rule will focus on the impact of changes in the wage index, most notably the adoption of the full CBSA designations. The impacts of the updated wage data are shown in Table 9 below. The breakdown of the various impacts displayed in the table follows.

The rows display the estimated effect of the proposed changes on different categories. The first row of figures represents the estimated effects on all facilities. The next 2 rows show the effect on urban and rural facilities. This is followed, in the next 4 rows, by impacts on urban and rural facilities based on whether they are a hospital-based or freestanding facility. The next 20 rows show the effect on urban and rural facilities based on the census region in which they are located.

The first column shows the breakdown of all HHAs by urban or rural status, hospital-based or freestanding status, and census division.

The second column in the table shows the number of facilities in the impact database. A facility is considered urban if it is located in a CBSA and, conversely, rural if it is not located in a CBSA.

The third column of the table shows the effect of the proposed annual update to the wage index. This represents the effect of using the most recent wage data available to determine the proposed estimated home health market basket update. The total impact of this change is -0.1 percent; however, there are distributional effects of the change.

The fourth column of the table shows the effect of all the changes on the proposed CY 2007 payments. The proposed estimated market basket update of 3.1 percentage points is constant for all providers and, though not shown individually, is included in this column. It is projected that total aggregate payments would increase by 3.0 percent, assuming facilities do not change their care delivery and billing practices in response.

As can be seen from this table, the combined effects of all of the changes would vary by specific types of providers and by location. For example, HHAs in the rural Pacific show the largest estimated increase in payment at 10.3 percent, while HHAs in the rural Mountain census division show the smallest increase in payments at 0.5 percent. Rural HHAs do somewhat better than urban HHAs, seeing an estimated increase in payments of 3.3 percent and 2.9 percent respectively. Amongst the different type of facility categories, freestanding rural HHAs do

best, with an estimated increase in payments of 3.5 percent. Hospital-based urban HHAs are next with an estimated

increase in payments of 3.2 percent with hospital-based rural and freestanding urban HHAs with estimated increases of

3.1 percent and 2.8 percent, respectively.

TABLE 9.—PROJECTED IMPACT OF CY 2007 UPDATE TO THE HH PPS

	Number of facilities	Updated wage data (percent)	Total CY 2007 change (percent)
Total	7,370	−0.1	3.0
Urban	2,097	−0.2	2.9
Rural	5,273	0.2	3.3
Hospital based urban	1,988	0.1	3.2
Freestanding urban	3,285	−0.3	2.8
Hospital based rural	1,201	0.0	3.1
Freestanding rural	896	0.4	3.5
Urban by region:			
New England	254	−1.1	2.0
Middle Atlantic	423	0.0	3.1
South Atlantic	913	−0.5	2.6
East North Central	886	0.3	3.5
East South Central	222	−0.4	2.7
West North Central	304	0.3	3.4
West South Central	1,300	−0.6	2.4
Mountain	281	1.7	4.8
Pacific	649	0.2	3.3
Outlying	41	−4.8	−1.8
Rural by region:			
New England	43	−0.7	2.3
Middle Atlantic	82	0.3	3.4
South Atlantic	239	−0.6	2.5
East North Central	284	1.5	4.6
East South Central	215	−0.3	2.8
West North Central	488	0.3	3.4
West South Central	475	−0.3	2.8
Mountain	173	−2.5	0.5
Pacific	88	6.9	10.3
Outlying	10	7.7	11.1

The impact of the proposed wage index for CY 2007 is shown in Addendum C to this document. Addendum C to this document shows a side-by-side comparison, by State and county code, of the CY 2006 transition wage index, which was a 50/50 blend of MSA-based and CBSA-based pre-floor, pre-reclassified hospital wage indexes, and the proposed CY 2007 pre-floor, pre-reclassified hospital wage index for the CY 2007 HH PPS update. In the last column of Addendum C to this document, we show the percentage change in the wage index from CY 2006 to the proposed wage index for CY 2007.

We estimate that there would be an additional \$420 million in CY 2007 expenditures attributable to the CY 2007 proposed estimated market basket (3.1 percent) increase. Thus, the anticipated expenditures outlined in this proposed rule would exceed the \$100 million annual threshold for a major rule as defined in Title 5, USC, section 804(2).

This proposed rule would have a positive effect on providers of Medicare home health services by increasing their Medicare payment rates. It is anticipated that very few HHAs will not submit the quality data required by

section 1895(b)(3)(B)(v)(II) of the Act necessary to receive the full market basket percentage increase. Submission of OASIS data is a Medicare condition of participation for HHAs. Therefore, one would expect that no HHA would be subject to the 2 percent reduction in payments in CY 2007. As indicated in the rule, most HHAs that do not report OASIS provide pediatric, non-Medicare, or personal care only. However, CMS is aware of instances of non-compliance among a very small portion of HHAs with regard to OASIS submission.

For the purposes of the CY 2007 impact analysis, we anticipate that less than 1 percent of HHAs, involving less than 1 percent of total Medicare HH payments, would fail to submit quality data and hence would be subject to the 2 percent reduction. This is not enough to impact the estimated \$420 million in additional expenditures. Finally, we do not believe there is a differential impact due to the aggregate nature of the update. We do not anticipate specific effects on other providers.

2. Oxygen and Oxygen Equipment Provisions

As mandated by the DRA of 2005, this proposed rule limits to 36 months the total number of continuous months for which Medicare would pay for oxygen equipment, after which the title to the oxygen equipment would be transferred from the supplier to the beneficiary. Since Medicare currently pays for oxygen equipment on a monthly basis for as long as it is medically necessary, this change would result in savings to Medicare. In addition, the DRA mandates that Medicare continue to make monthly payments for furnishing contents for beneficiary-owned oxygen equipment.

Close to a million patients now receive oxygen therapy. Although monthly rental payments already have been reduced by 30 percent by section 4552 of the Balanced Budget Act of 1997 and approximately 10 percent by section 302(c)(2) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Medicare allowed charges rose to \$2.78 billion by 2004, a 71 percent increase since 1998 that reflects the growing use. Before the

amendments to section 1834(a)(5) of the Act made by the DRA, Medicare continued to make rental payments for as long as medical necessity continued, even when the total payments greatly exceeded the cost of purchasing the equipment and the supplier retained title to the equipment. We believe the DRA amendments to the Act will result in a loss of revenue to suppliers that will no longer receive payments for oxygen equipment after the 36th month of continuous use.

Based on data for items furnished in calendar year 2004, oxygen concentrators accounted for over 93 percent of Medicare utilization for stationary oxygen systems, in terms of both allowed charges and allowed services. Since oxygen concentrators can typically be purchased for \$1,000 or less, we believe that 36 months of payment at approximately \$200 per month would ensure the supplier is reimbursed for its cost for furnishing the equipment. The \$200 allowed payment amount may be re-adjusted in the future to assure that payments are adequate, but not excessive. This could be accomplished through the competitive acquisition programs mandated by section 1847 of the Act or in accordance with our authority for adjusting fee schedule amounts at section 1842(b)(8) and (9) of the Act. Based on our data, approximately 36 percent of Medicare beneficiaries use oxygen equipment for more than 3 years and approximately 20 percent of Medicare beneficiaries use oxygen equipment for more than 5 years. In section K of the "provisions of the proposed regulation section of this preamble," we propose to allow beneficiaries to obtain replacement oxygen equipment in cases where their equipment has been in continuous use for the reasonable useful lifetime of the equipment. Unless CMS or its carriers establish a specific reasonable useful lifetime for oxygen equipment, the default lifetime for DME of 5 years would apply. The main effect of this rule on suppliers is that they will not be able to receive payment for the equipment beyond 36 months for approximately 36 percent of Medicare patients. They will also not be able to receive payment for furnishing the same item to subsequent patients in these cases since they lose title to the equipment. In the case of oxygen concentrator systems and portable oxygen transfilling systems, delivery of oxygen contents is not necessary, and therefore, payment will not be made for the furnishing of contents for these types of beneficiary owned equipment. Under the old payment rules, payment

for oxygen concentrators used for stationary equipment purposes would have continued at approximately \$200 per month for the entire period of medical need. Section 5101(b) of the DRA mandates that payment for oxygen equipment end and that title to the equipment transfer after 36 months of continuous use.

In the case of liquid and gaseous oxygen systems, suppliers will continue to be paid for furnishing oxygen contents for beneficiary-owned systems. The current statewide monthly payment amounts for oxygen and oxygen equipment that would be paid during the 36-month period of continuous use for beneficiaries who only use stationary equipment range from \$194.48 to \$200.41, with the average statewide fee being \$199.36. The current statewide monthly payment amount for furnishing oxygen contents for beneficiary owned equipment range from \$137.54 to \$198.12, with the average statewide fee being \$156.07. The average decrease in Medicare fee schedule amounts that may result from the DRA changes for liquid and gaseous systems after the 36-month period (that is, shift from monthly payments for equipment and contents to monthly payments for contents only), is expected to be \$43.29 (\$199.36 – \$156.07). Therefore, this is the level of monthly reimbursement that would be lost after the 36-month period for suppliers that furnish oxygen and oxygen equipment to beneficiaries in these situations and who continue to furnish contents to these beneficiaries. Based on current fee schedule amounts for all oxygen and oxygen equipment, this equates to an average reduction in payment (from \$199.36 to \$156.07) of approximately 22 percent.

At the current monthly statewide fee schedule rates, which range from \$194.48 to \$200.41, suppliers of oxygen equipment are expected to be paid from \$7,001.28 to \$7,214.76 over 36 months. By comparison, a medical center operated by the Department of Veterans Affairs (VA) in Tampa, Florida, is the largest VA center in terms of number of veterans on oxygen therapy and services approximately 1,000 patients on oxygen by contracting with a locally based manufacturer to purchase the oxygen concentrators for \$895 each. The medical center contracts with a local supplier for \$90 to deliver and set up the concentrator to the patient's home. This local supplier also provides service and maintenance of the equipment at any time throughout the year for \$48 per service episode. If the equipment needs to be replaced, the local supplier will furnish another concentrator for a \$90 fee. The VA total payments over 5 years

for an oxygen concentrator used by a veteran in this center plus payment for ten episodes of maintenance and servicing, assuming servicing every 6 months, would be \$1,435, compared to total Medicare allowed charges of \$7,164, on average, for a Medicare beneficiary. Based on this comparison, the Medicare payment amounts and methodology appear to be more than adequate.

We do not anticipate that transfer of ownership for oxygen equipment to the beneficiary after 36 months of continuous use would be a significant financial burden to suppliers because the effect is limited to a maximum of 36 percent of a supplier's Medicare business and because suppliers of oxygen equipment primarily furnish lower cost oxygen concentrators. We also do not anticipate a significant change in the rate of assignment of claims for oxygen equipment based on our belief that suppliers will be adequately reimbursed for furnishing the oxygen equipment.

Finally, if new oxygen and oxygen equipment classes and payment amounts are established in accordance with the proposed provisions in section I of this rule, there could potentially be a shift in utilization between the various oxygen equipment modalities, which could impact supplier revenues and sales volume for certain oxygen equipment manufacturers. However, since use of the authority to create such classes under section 1834(a)(9)(D) of the Act requires that these changes be budget-neutral, there would not a significant impact on overall Medicare payments to suppliers.

3. Capped Rental DME

This proposed rule, which limits to 13 months the total number of continuous months for which Medicare would pay for capped rental DME, after which the ownership of the capped rental item would be transferred from the supplier to the beneficiary, would result in significant savings for the Medicare program. Savings would be realized through: (1) The gradual elimination of rental payments for the 14th and 15th months of continuous use; and (2) changing the semi-annual payment for maintenance and servicing to payment only when reasonable and necessary maintenance and servicing is needed. We anticipate that suppliers may lose money due to the loss of 1 to 2 months rental in cases where beneficiaries need the item for more than 13 months and would not have otherwise selected the purchase option currently described in § 414.229(d). The average of the 2006 fee schedule amounts for all capped rental

items for months 14 and 15 is approximately \$152. We do not believe suppliers will suffer financially as a result of this provision based on data which shows that in 2004, 97 percent of suppliers accepted assignment for beneficiaries who chose the purchase option (§ 414.229(d)) in the 11th month of a capped rental period. This is an indication that suppliers were willing to accept the Medicare payment as payment in full for the capped rental item, even though they had been informed that the beneficiary would take over ownership of the item after the 13th month of continuous use. Therefore, we do not anticipate that transfer of ownership for capped rental equipment to the beneficiary after 13 months of continuous use would be a significant financial burden to suppliers.

For items for which the first rental payment falls on or after January 1, 2006, Medicare would only pay for maintenance and servicing as necessary. In a June 2002 report (OEI-03-00-00410), the Office of Inspector General (OIG) indicated that only 9 percent of the capped rental equipment with a June 2000 service date actually received any servicing between June and December 2000. Out of the \$7.3 million Medicare paid for maintenance services from June 2000, we estimate that \$6.5 million was paid for equipment that received no actual servicing. The OIG recommended to CMS in 2002 that we eliminate the semi-annual maintenance payment currently allowed for capped rental equipment and pay only for repairs when needed.

The combination of these two factors provides strong evidence that the Medicare rules for paying for maintenance and servicing of capped rental equipment furnished before January 1, 2006, were not cost-effective.

Impact on Beneficiaries

The DRA provisions and this proposed rule would result in savings for Medicare beneficiaries using oxygen equipment and capped rental items. For capped rental items, Medicare payments will be made for 13 continuous months and for oxygen equipment, payments will be made for 36 continuous months. After the rental period for each category of equipment expires, ownership of the equipment will transfer from the suppliers to the beneficiaries. Beneficiaries will continue to be financially responsible for a 20 percent coinsurance payment during the 13 or 36 month rental periods for capped rental items and oxygen equipment, respectively. However, beneficiaries will no longer have to make a monthly

20 percent coinsurance payment for the equipment after they own it. This will result in significant savings to beneficiaries.

For example, before the DRA, Medicare and the beneficiary made continuous payments for the rental of oxygen equipment that totaled about \$200 per month. Of this amount, the beneficiary paid coinsurance of \$40 which would equal \$480 for a single year's rental, \$1,440 over 36 months, and \$2,400 over 5 years. After the DRA, beneficiaries will only pay a coinsurance amount for up to 36 months for the rental of oxygen equipment, after which time they will own the equipment. Thus, the DRA oxygen provisions result in savings of approximately \$480 if beneficiaries use the equipment for 4 years, and \$960 if they use the equipment for 5 years.

For capped rental items, beneficiaries will save coinsurance by not being responsible for any equipment payment after the 13th rental month or the semi-annual maintenance and servicing payment that was approximately equal to 10 percent of the purchase price for the equipment. Before the DRA, Medicare and the beneficiary would pay up to 15 months for capped rental items, and Medicare and the beneficiary would also pay for maintenance and servicing every six months. Thus, beneficiaries will save coinsurance payments related to both the equipment itself and the maintenance and servicing of that equipment.

The proposed rule would assure beneficiaries that suppliers that furnish the equipment for the first month would continue to furnish the equipment for the entire 36-month period of continuous use for oxygen equipment or the 13-month period of continuous use for capped rental.

Beneficiaries would also be assured that their oxygen and capped rental equipment would not be impermissibly swapped by the supplier at any time during the rental period. Under the proposed rule, we propose that a supplier may not provide different rented equipment to the beneficiary at any time during the 36 rental months for oxygen equipment or the 13 rental months for capped rental DME unless one of the following exceptions apply: The equipment is lost, stolen, or irreparably damaged; the equipment is being repaired while loaner equipment is in use; there is a change in the beneficiary's medical condition; or the carrier determines that a change in equipment is otherwise warranted.

We are proposing that suppliers inform beneficiaries whether they will accept or not accept assignment on all

monthly rental claims during the 13-month rental period for capped rental items or the 36-month rental period for oxygen equipment in an upfront manner.

The proposed rule would also assure beneficiaries that following the transfer of title, the supplier would replace the item at no cost to the beneficiary in cases where the accumulated costs of repair exceed 60 percent of the cost of replacement, if the reasonable useful lifetime of the item (currently a default period of 5 years) has not expired.

C. Accounting Statement

As required by OMB Circular A-4 (available at <http://www.whitehouse.gov/omb/circulars/a004/a-4.pdf>) in Table 10 below, we have prepared an accounting statement showing the classification of the expenditures associated with the provisions of this proposed rule. This table provides our best estimate of the increase in Medicare payments under the HH PPS as a result of the changes presented in this final rule based on the data for 7,370 HHAs in our database. All expenditures are classified as transfers to Medicare providers (that is, HHAs).

TABLE 10.—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES, FROM CY 2006 TO CY 2007

[In millions]	
Category	Transfers
Annualized monetized transfers. From whom to whom?	\$420 Federal Government to HHAs.

In Table 11 below, we have prepared an accounting statement showing the classification of the expenditures associated with the DME provisions of this final rule. This table provides our best estimate of the decrease in Medicare payments under the DME benefit as a result of the changes presented in this final rule based on the 2004 allowed charge data for oxygen and capped rental DME in our database. All expenditures are classified as transfers to the Medicare program and its beneficiaries.

TABLE 11.—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES

[In millions]	
Category	Transfers
Monetized transfers in FY 2007.	\$80

TABLE 11.—ACCOUNTING STATEMENT:
CLASSIFICATION OF ESTIMATED EX-
PENDITURES—Continued

[In millions]

Category	Transfers
Monetized transfers in FY 2008.	130
Monetized transfers in FY 2009.	170
Monetized transfers in FY 2010.	220
Monetized transfers in FY 2011.	280
From whom to whom?	Suppliers to Federal Government and beneficiaries.

In accordance with the provisions of Executive Order 12866, this regulation was reviewed by the Office of Management and Budget.

List of Subjects

42 CFR Part 414

Administrative practice and procedure, Health facilities, Health professions, Kidney diseases, Medicare, Reporting and recordkeeping requirements.

42 CFR Part 484

Health facilities, Health professions, Medicare, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services would amend 42 CFR chapter IV as set forth below:

PART 414—PAYMENT FOR PART B MEDICAL AND OTHER HEALTH SERVICES

Subpart D—Payment for Durable Medical Equipment and Prosthetic and Orthotic Devices

1. The authority citation for part 414 continues to read as follows:

Authority: Secs. 1102, 1871, and 1881(b)(1) of the Social Security Act (42 U.S.C. 1302, 1395(hh), and 1395rr(b)(1)).

2. Amend § 414.210 as follows:

A. Revise paragraph (e).

B. Revise the introductory text to paragraph (f).

C. Revise paragraph (f)(2)

D. Add new paragraphs (f)(3) and (f)(4).

The revisions read as follows:

§ 414.210 General payment rules.

* * * * *

(e) *Maintenance and servicing.*—(1) *General rule.* Except as provided in paragraph (e)(2) of this section, the carrier pays the reasonable and necessary charges for maintenance and

servicing of beneficiary-owned equipment. Reasonable and necessary charges are those made for parts and labor not otherwise covered under a manufacturer's or supplier's warranty. Payment is made for replacement parts in a lump sum based on the carrier's consideration of the item. The carrier establishes a reasonable fee for labor associated with repairing, maintaining, and servicing the item. Payment is not made for maintenance and servicing of a rented item other than the maintenance and servicing fee for other durable medical equipment as described in § 414.229(e).

(2) *Exception.* For items purchased on or after June 1, 1989, no payment is made under the provisions of paragraph (e)(1) of this section for the maintenance and servicing of:

(i) Items requiring frequent and substantial servicing, as defined in § 414.222(a);

(ii) Capped rental items, as defined in § 414.229(a), that are not beneficiary-owned in accordance with § 414.229(d) or § 414.229(h); and

(iii) Oxygen equipment, as described in § 414.226, that is not beneficiary-owned in accordance with § 414.226(e).

(3) *Supplier replacement of beneficiary-owned equipment based on accumulated repair costs.* A supplier that transfers title to oxygen equipment or a capped rental item to a beneficiary in accordance with § 414.226(f) or § 414.229(f)(2) is responsible for furnishing replacement equipment at no cost to the beneficiary or to the Medicare program if the total repair costs that accumulate for the equipment after transfer of title exceed 60 percent of the cost to replace the equipment and the equipment has been in use for less than its reasonable useful lifetime, as determined under § 414.210(f)(1).

(f) *Payment for replacement of equipment.* If a beneficiary-owned item of DME or a prosthetic or orthotic device paid for under this subpart has been in continuous use by the patient for the equipment's reasonable useful lifetime or if the carrier determines that the item is lost, stolen, or irreparably damaged, the patient may elect to obtain a new piece of equipment.

* * * * *

(2) If the beneficiary elects to obtain replacement oxygen equipment, payment is made in accordance with § 414.226(a).

(3) If the beneficiary elects to obtain a replacement capped rental item, payment is made in accordance with § 414.229(a)(2) or (a)(3).

(4) For all other beneficiary-owned items, if the beneficiary elects to obtain

replacement equipment, payment is made on a purchase basis.

3. Amend § 414.226 by—

A. Revising paragraph (a) and the heading of paragraph (b).

B. Revising paragraph (b)(3).

C. Adding paragraphs (b)(4) and (b)(5).

D. Redesignating paragraph (d) as paragraph (e).

E. Redesignating paragraph (c) as paragraph (d).

F. Revising newly redesignated paragraph (d).

G. Adding a new paragraph (c).

H. Revising newly redesignated paragraph (e)(1) introductory text.

I. Revising newly redesignated paragraph (e)(1)(i).

. Revising newly redesignated paragraph (e)(2)(i).

K. Revising newly redesignated paragraph (e)(2)(ii).

L. Adding new paragraphs (f) and (g).

The revisions and additions read as follows:

§ 414.226 Oxygen and oxygen equipment.

(a) *Payment rules.* (1) *Oxygen equipment.* Payment for rental of oxygen equipment is made based on a monthly fee schedule amount during the period of medical need, but for no longer than a period of continuous use of 36 months. A period of continuous use is determined under the provisions in § 414.230.

(2) *Oxygen contents.* Payment for purchase of oxygen contents is made based on a monthly fee schedule amount until medical necessity ends.

(b) *Monthly fee schedule amount for items furnished prior to 2007.*

* * * * *

(3) For 1991 through 2006, the fee schedule amounts for items described in paragraphs (b)(1)(iii) and (iv) of this section are determined using the methodology contained in § 414.220 (d), (e), and (f).

(4) For 1991 through 2006, the fee schedule amounts for items described in paragraphs (b)(1)(i) and (ii) of this section are determined using the methodology contained in § 414.220 (d), (e), and (f).

(5) For 2005 and 2006, the fee schedule amounts determined under paragraph (b)(4) of this section are reduced using the methodology described in § 1834(a)(21)(A) of the Act.

(c) *Monthly fee schedule amount for items furnished for years after 2006.* (1) Monthly fee schedule amounts are separately calculated for the following items:

(i) Stationary oxygen equipment (including stationary concentrators) and oxygen contents (stationary and portable).

(ii) Portable equipment only (gaseous or liquid tanks).

(iii) Oxygen generating portable equipment only.

(iv) Stationary oxygen contents only.

(v) Portable oxygen contents only.

(2) The nationwide fee schedule amount for items described in paragraph (c)(1)(i) of this section is equal to the average fee schedule amount established under paragraph (b)(5) of this section reduced by \$22.

(3) The nationwide fee schedule amount for items described in paragraph (c)(1)(ii) of this section is equal to the average of the fee schedule amounts established under paragraph (b)(5) of this section.

(4) The nationwide fee schedule amount for items described in paragraph (c)(1)(iii) of this section is equal to the sum of the average of the fee schedule amounts established under paragraph (b)(5) of this section for items described in paragraph (b)(1)(i) of this section and the average of the fee schedule amounts established under paragraph (b)(5) of this section for items described in paragraph (b)(1)(ii) of this section, increased by \$10, and reduced by the nationwide fee schedule amount established under paragraph (c)(2) of this section.

(5) The nationwide fee schedule amount for items described in paragraph (c)(1)(iv) of this section is equal to 65 percent of the average fee schedule amount established under paragraph (b)(3) of this section for items described in paragraph (b)(1)(iii) of this section.

(6) The nationwide fee schedule amount for items described in paragraph (c)(1)(v) of this section is equal to 35 percent of the average fee schedule amount established under paragraph (b)(3) of this section for items described in paragraph (b)(1)(iii) of this section.

(d) *Application of monthly fee schedule amounts.* (1) The fee schedule amount for items described in paragraph (c)(1)(i) of this section is paid when the beneficiary rents stationary oxygen equipment.

(2) Subject to the limitation set forth in paragraph (e)(2) of this section, the fee schedule amount for items described in paragraph (c)(1)(ii) and (iii) of this section is paid when the beneficiary rents portable oxygen equipment.

(3) The fee schedule amount for items described in paragraph (c)(1)(iv) of this section is paid when the beneficiary owns stationary oxygen equipment that requires delivery of gaseous or liquid oxygen contents.

(4) The fee schedule amount for items described in paragraph (c)(1)(v) of this section is paid when the beneficiary owns portable oxygen equipment

described in paragraph (c)(1)(ii) of this section, or rents portable oxygen equipment described in paragraph (c)(1)(ii) of this section and does not rent stationary oxygen equipment.

(e) *Volume adjustments.* (1) The fee schedule amount for an item described in paragraph (c)(1)(i) of this section is adjusted as follows:

(i) If the attending physician prescribes an oxygen flow rate exceeding four liters per minute, the fee schedule amount is increased by 50 percent, subject to the limit in paragraph (e)(2) of this section.

* * * * *

(2) * * *

(i) The sum of the monthly fee schedule amount for the items described in paragraphs (c)(1)(i) and (ii) or (iii) of this section; or

(ii) The adjusted fee schedule amount described in paragraph (e)(1)(i) of this section.

* * * * *

(f) *Ownership of equipment.* On the first day that begins after the 36th continuous month in which payment is made for oxygen equipment under paragraph (a)(1) of this section, the supplier must transfer title to the oxygen equipment to the beneficiary.

(g) *Additional supplier requirements for rentals that begin on or after January 1, 2007.* (1) The supplier that furnishes oxygen equipment for the first month during which payment is made under this section must continue to furnish the equipment until medical necessity ends, or the 36-month period of continuous use ends, whichever is earlier, unless—(i) The item becomes subject to a competitive acquisition program implemented in accordance with section 1847(a) of the Act;

(ii) The beneficiary relocates to an area that is outside the normal service area of the supplier that initially furnished the equipment;

(iii) The beneficiary elects to obtain oxygen equipment from a different supplier prior to the expiration of the 36-month rental period; or

(iv) CMS or the carrier determines that an exception should apply in an individual case based on the circumstances.

(2) Oxygen equipment furnished under this section may not be replaced by the supplier prior to the expiration of the 36-month rental period unless:

(i) The equipment is lost, stolen, or irreparably damaged;

(ii) The furnishing of loaner equipment is necessary while the equipment is being repaired;

(iii) The equipment is no longer medically necessary; or

(iv) The equipment is replaced in accordance with § 414.210(e)(3) or (f).

(3) Before furnishing oxygen equipment, the supplier must disclose to the beneficiary its intentions regarding whether it will accept assignment of all monthly rental claims for the duration of the rental period. A supplier's intentions could be expressed in the form of a written agreement between the supplier and the beneficiary.

4. Amend § 414.229 by—

A. Revising paragraphs (a), (f) and (g).

B. Adding paragraph (h).

The revisions and additions read as follows:

§ 414.229 Other durable medical equipment-capped rental items.

(a) *General payment rule.* Payment is made for other durable medical equipment that is not subject to the payment provisions set forth in §§ 414.220 through 414.228 as follows:

(1) For items furnished prior to January 1, 2006, payment is made on a rental or purchase option basis in accordance with the rules set forth in paragraphs (b) through (e) of this section.

(2) For items other than power-driven wheelchairs furnished on or after January 1, 2006, payment is made in accordance with the rules set forth in paragraph (f) of this section.

(3) For power-driven wheelchairs furnished on or after January 1, 2006, payment is made in accordance with the rules set forth in paragraphs (f) or (h) of this section.

* * * * *

(f) *Rules for Capped Rental Items Furnished Beginning on or after January 1, 2006.* (1) For items furnished on or after January 1, 2006, payment is made based on a monthly rental fee schedule amount during the period of medical need, but for no longer than a period of continuous use of 13 months. A period of continuous use is determined under the provisions in § 414.230.

(2) The supplier must transfer title to the item to the beneficiary on the first day that begins after the 13th continuous month in which payments are made under paragraph (f)(1) of this section.

(3) Payment for maintenance and servicing of beneficiary-owned equipment is made in accordance with § 414.210(e).

(g) *Additional supplier requirements for capped rental items that are furnished beginning on or after January 1, 2007.* (1) The supplier that furnishes an item for the first month during which payment is made using the methodology described in paragraph (f)(1) of this

section must continue to furnish the equipment until medical necessity ends, or the 13-month period of continuous use ends, whichever is earlier, unless—

(i) The item becomes subject to a competitive acquisition program implemented in accordance with section 1847(a) of the Act;

(ii) The beneficiary relocates to an area that is outside the normal service area of the supplier that initially furnished the equipment;

(iii) The beneficiary elects to obtain the equipment from a different supplier prior to the expiration of the 13-month rental period; or

(iv) CMS or the carrier determines that an exception should apply in an individual case based on the circumstances.

(2) A capped rental item furnished under this section may not be replaced by the supplier prior to the expiration of the 13-month rental period unless:

(i) The item is lost, stolen, or irreparably damaged;

(ii) The furnishing of a loaner item is necessary while the item is being repaired;

(iii) The item is no longer medically necessary; or

(iv) The item is replaced in accordance with § 414.210(e)(3) or (f).

(3) Before furnishing a capped rental item, the supplier must disclose to the beneficiary its intentions regarding whether it will accept assignment of all monthly rental claims for the duration of the rental period. A supplier's intentions could be expressed in the form of a written agreement between the supplier and the beneficiary.

(h) *Purchase of power-driven wheelchairs furnished on or after January 1, 2006.* Suppliers must offer beneficiaries the option to purchase power-driven wheelchairs at the time the equipment is initially furnished. Payment is made on a lump-sum purchase basis if the beneficiary chooses this option.

5. Amend § 414.230 by—

A. Revising paragraphs (b)(1) and (b)(2).

B. Revising paragraph (f).

The revisions read as follows:

§ 414.230 Determining a period of continuous use.

* * * * *

(b) *Continuous use.* (1) A period of continuous use begins with the first month of medical need and lasts until a beneficiary's medical need for a particular item of durable medical equipment ends.

(2) In the case of a beneficiary receiving oxygen equipment on December 31, 2005, the period of continuous use for the equipment begins on January 1, 2006.

* * * * *

(f) *New equipment.* (1) If a beneficiary changes equipment or requires additional equipment based on a physician's prescription, and the new or additional equipment is found to be necessary, a new period of continuous use begins for the new or additional equipment. A new period of continuous use does not begin for base equipment that is modified by an addition.

(2) A new period of continuous use does not begin when a beneficiary changes from one oxygen equipment modality to another.

* * * * *

PART 484—HOME HEALTH SERVICES

6. The authority citation for part 484 continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395(hh)) unless otherwise indicated.

7. Amend § 484.225 as follows:

A. Revise paragraph (f).

B. Redesignate paragraph (g) as paragraph (h).

C. Add new paragraph (g).

D. Revise newly redesignated paragraph (h).

E. Add new paragraph (i).

The revisions and additions read as follows:

§ 484.225 Annual update of the unadjusted national prospective 60-day episode payment rate.

* * * * *

(f) For calendar year 2005, the unadjusted national prospective 60-day episode payment rate is equal to the rate from the previous calendar year, increased by the applicable home health market basket minus 0.8 percentage points.

(g) For calendar year 2006, the unadjusted national prospective 60-day episode payment rate is equal to the rate from calendar year 2005.

(h) For 2007 and subsequent calendar years, in the case of a home health agency that submits home health quality data, as specified by the Secretary, the unadjusted national prospective 60-day episode rate is equal to the rate for the previous calendar year increased by the applicable home health market basket index amount.

(i) For 2007 and subsequent calendar years, in the case of a home health agency that does not submit home health quality data, as specified by the Secretary, the unadjusted national prospective 60-day episode rate is equal to the rate for the previous calendar year increased by the applicable home health market basket index amount minus 2 percentage points. Any reduction of the percentage change will apply only to the calendar year involved and will not be taken into account in computing the prospective payment amount for a subsequent calendar year.

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: June 16, 2006.

Mark B. McClellan,

Administrator, Centers for Medicare & Medicaid Services.

Approved: July 14, 2006.

Michael O. Leavitt,

Secretary.

**ADDENDUM A.—PROPOSED CY 2007
WAGE INDEX FOR RURAL AREAS BY
CBSA; APPLICABLE PRE-FLOOR AND
PRE-RECLASSIFIED HOSPITAL WAGE
INDEX**

CBSA code	Nonurban Area	Wage index
01	Alabama	0.7652
02	Alaska	1.0680
03	Arizona	0.8924
04	Arkansas	0.7335
05	California	1.1302
06	Colorado	0.9342
07	Connecticut	1.1753
08	Delaware	0.9723
10	Florida	0.8595
11	Georgia	0.7560
12	Hawaii	1.0467
13	Idaho	0.8134
14	Illinois	0.8327
15	Indiana	0.8477
16	Iowa	0.8697
17	Kansas	0.8000
18	Kentucky	0.7780
19	Louisiana	0.7450
20	Maine	0.8410
21	Maryland	0.8942

**ADDENDUM A.—PROPOSED CY 2007
WAGE INDEX FOR RURAL AREAS BY
CBSA; APPLICABLE PRE-FLOOR AND
PRE-RECLASSIFIED HOSPITAL WAGE
INDEX—Continued**

CBSA code	Nonurban Area	Wage index
22	Massachusetts ¹	1.0216
23	Michigan	0.9052
24	Minnesota	0.9167
25	Mississippi	0.7565
26	Missouri	0.7934
27	Montana	0.8605
28	Nebraska	0.8693
29	Nevada	0.8960
30	New Hampshire	1.0800
31	New Jersey ¹	
32	New Mexico	0.8347
33	New York	0.8250
34	North Carolina	0.8599
35	North Dakota	0.7228
36	Ohio	0.8674
37	Oklahoma	0.7640
38	Oregon	0.9770
39	Pennsylvania	0.8332
40	Puerto Rico ¹	0.4047
41	Rhode Island ¹	

**ADDENDUM A.—PROPOSED CY 2007
WAGE INDEX FOR RURAL AREAS BY
CBSA; APPLICABLE PRE-FLOOR AND
PRE-RECLASSIFIED HOSPITAL WAGE
INDEX—Continued**

CBSA code	Nonurban Area	Wage index
42	South Carolina	0.8583
43	South Dakota	0.8496
44	Tennessee	0.7841
45	Texas	0.7973
46	Utah	0.8154
47	Vermont	0.9944
48	Virgin Islands	0.7615
49	Virginia	0.7954
50	Washington	1.0281
51	West Virginia	0.7620
52	Wisconsin	0.9468
53	Wyoming	0.9311
65	Guam	0.9611

¹All counties within the State are classified as urban, with the exception of Massachusetts and Puerto Rico. Massachusetts and Puerto Rico have areas designated as rural, however, no short-term, acute care hospitals are located in the area(s) for CY 2007.

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX

CBSA code	Urban area (constituent counties)	Wage index
10180	Abilene, TX Callahan County, TX. Jones County, TX. Taylor County, TX.	0.8014
10380	Aguadilla-Isabela-San Sebastián, PR Aguada Municipio, PR. Aguadilla Municipio, PR. Añasco Municipio, PR. Isabela Municipio, PR. Lares Municipio, PR. Moca Municipio, PR. Rincón Municipio, PR. San Sebastián Municipio, PR.	0.3922
10420	Akron, OH Portage County, OH. Summit County, OH.	0.8639
10500	Albany, GA Baker County, GA. Dougherty County, GA. Lee County, GA. Terrell County, GA. Worth County, GA.	0.8962
10580	Albany-Schenectady-Troy, NY Albany County, NY. Rensselaer County, NY. Saratoga County, NY. Schenectady County, NY. Schoharie County, NY.	0.8735
10740	Albuquerque, NM Bernalillo County, NM. Sandoval County, NM. Torrance County, NM. Valencia County, NM.	0.9474
10780	Alexandria, LA Grant Parish, LA. Rapides Parish, LA.	0.8020
10900	Allentown-Bethlehem-Easton, PA-NJ Warren County, NJ. Carbon County, PA.	0.9910

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
11020	Lehigh County, PA. Northampton County, PA. Altoona, PA	0.8727
11100	Blair County, PA. Amarillo, TX	0.9177
11180	Armstrong County, TX. Carson County, TX. Potter County, TX. Randall County, TX.	0.9777
11260	Ames, IA	1.2045
11300	Story County, IA. Anchorage, AK	0.8790
11340	Anchorage Municipality, AK. Matanuska-Susitna Borough, AK.	0.8959
11460	Anderson, IN	1.0838
11500	Madison County, IN.	0.7868
11540	Anderson, SC	0.9472
11700	Anderson County, SC. Ann Arbor, MI	0.9093
12020	Washtenaw County, MI. Anniston-Oxford, AL	0.9857
12060	Calhoun County, AL. Appleton, WI	0.9772
12100	Calumet County, WI. Outagamie County, WI.	1.1751
12220	Asheville, NC	0.8110
12260	Buncombe County, NC. Haywood County, NC. Henderson County, NC. Madison County, NC.	0.9678
	Athens-Clarke County, GA	
	Clarke County, GA. Madison County, GA. Oconee County, GA. Oglethorpe County, GA.	
	Atlanta-Sandy Springs-Marietta, GA	
	Barrow County, GA. Bartow County, GA. Butts County, GA. Carroll County, GA. Cherokee County, GA. Clayton County, GA. Cobb County, GA. Coweta County, GA. Dawson County, GA. DeKalb County, GA. Douglas County, GA. Fayette County, GA. Forsyth County, GA. Fulton County, GA. Gwinnett County, GA. Haralson County, GA. Heard County, GA. Henry County, GA. Jasper County, GA. Lamar County, GA. Meriwether County, GA. Newton County, GA. Paulding County, GA. Pickens County, GA. Pike County, GA. Rockdale County, GA. Spalding County, GA. Walton County, GA.	
	Atlantic City, NJ	
	Atlantic County, NJ.	
	Auburn-Opelika, AL	
	Lee County, AL.	
	Augusta-Richmond County, GA-SC	
	Burke County, GA.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
12420	Columbia County, GA. McDuffie County, GA. Richmond County, GA. Aiken County, SC. Edgefield County, SC. Austin-Round Rock, TX	0.9360
12540	Bastrop County, TX. Caldwell County, TX. Hays County, TX. Travis County, TX. Williamson County, TX. Bakersfield, CA	1.0605
12580	Kern County, CA. Baltimore-Towson, MD	1.0106
12620	Anne Arundel County, MD. Baltimore County, MD. Carroll County, MD. Harford County, MD. Howard County, MD. Queen Anne's County, MD. Baltimore City, MD. Bangor, ME	0.9719
12700	Penobscot County, ME. Barnstable Town, MA	1.2561
12940	Barnstable County, MA. Baton Rouge, LA	0.8099
12980	Ascension Parish, LA. East Baton Rouge Parish, LA. East Feliciana Parish, LA. Iberville Parish, LA. Livingston Parish, LA. Pointe Coupee Parish, LA. St. Helena Parish, LA. West Baton Rouge Parish, LA. West Feliciana Parish, LA. Battle Creek, MI	0.9746
13020	Calhoun County, MI. Bay City, MI	0.9271
13140	Bay County, MI. Beaumont-Port Arthur, TX	0.8610
13380	Hardin County, TX. Jefferson County, TX. Orange County, TX. Bellingham, WA	1.1124
13460	Whatcom County, WA. Bend, OR	1.0762
13644	Deschutes County, OR. Bethesda-Frederick-Gaithersburg, MD	1.0923
13740	Frederick County, MD. Montgomery County, MD. Billings, MT	0.8728
13780	Carbon County, MT. Yellowstone County, MT. Binghamton, NY	0.8798
13820	Broome County, NY. Tioga County, NY. Birmingham-Hoover, AL	0.8919
13900	Bibb County, AL. Blount County, AL. Chilton County, AL. Jefferson County, AL. St. Clair County, AL. Shelby County, AL. Walker County, AL. Bismarck, ND	0.7253
13980	Burleigh County, ND. Morton County, ND. Blacksburg-Christiansburg-Radford, VA	0.8227
	Giles County, VA. Montgomery County, VA.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
14020	Pulaski County, VA. Radford City, VA. Bloomington, IN	0.8548
	Greene County, IN. Monroe County, IN. Owen County, IN.	
14060	Bloomington-Normal, IL	0.8960
	McLean County, IL.	
14260	Boise City-Nampa, ID	0.9417
	Ada County, ID. Boise County, ID. Canyon County, ID. Gem County, ID. Owyhee County, ID.	
14484	Boston-Quincy, MA	1.1693
	Norfolk County, MA. Plymouth County, MA. Suffolk County, MA.	
14500	Boulder, CO	1.0368
	Boulder County, CO.	
14540	Bowling Green, KY	0.8162
	Edmonson County, KY. Warren County, KY.	
14740	Bremerton-Silverdale, WA	1.0932
	Kitsap County, WA.	
14860	Bridgeport-Stamford-Norwalk, CT	1.2681
	Fairfield County, CT.	
15180	Brownsville-Harlingen, TX	0.9446
	Cameron County, TX.	
15260	Brunswick, GA	1.0097
	Brantley County, GA. Glynn County, GA. McIntosh County, GA.	
15380	Buffalo-Niagara Falls, NY	0.9483
	Erie County, NY. Niagara County, NY.	
15500	Burlington, NC	0.8689
	Alamance County, NC.	
15540	Burlington-South Burlington, VT	0.9491
	Chittenden County, VT. Franklin County, VT. Grand Isle County, VT.	
15764	Cambridge-Newton-Framingham, MA	1.0918
	Middlesex County, MA.	
15804	Camden, NJ	1.0411
	Burlington County, NJ. Camden County, NJ. Gloucester County, NJ.	
15940	Canton-Massillon, OH	0.9047
	Carroll County, OH. Stark County, OH.	
15980	Cape Coral-Fort Myers, FL	0.9359
	Lee County, FL.	
16180	Carson City, NV	1.0043
	Carson City, NV.	
16220	Casper, WY	0.9161
	Natrona County, WY.	
16300	Cedar Rapids, IA	0.8903
	Benton County, IA. Jones County, IA. Linn County, IA.	
16580	Champaign-Urbana, IL	0.9661
	Champaign County, IL. Ford County, IL. Piatt County, IL.	
16620	Charleston, WV	0.8558
	Boone County, WV. Clay County, WV. Kanawha County, WV. Lincoln County, WV.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
16700	Putnam County, WV. Charleston-North Charleston, SC	0.9156
	Berkeley County, SC. Charleston County, SC. Dorchester County, SC.	
16740	Charlotte-Gastonia-Concord, NC-SC	0.9564
	Anson County, NC. Cabarrus County, NC. Gaston County, NC. Mecklenburg County, NC. Union County, NC. York County, SC.	
16820	Charlottesville, VA	1.0143
	Albemarle County, VA. Fluvanna County, VA. Greene County, VA. Nelson County, VA. Charlottesville City, VA.	
16860	Chattanooga, TN-GA	0.8963
	Catoosa County, GA. Dade County, GA. Walker County, GA. Hamilton County, TN. Marion County, TN. Sequatchie County, TN.	
16940	Cheyenne, WY	0.9076
	Laramie County, WY.	
16974	Chicago-Naperville-Joliet, IL	1.0745
	Cook County, IL. DeKalb County, IL. DuPage County, IL. Grundy County, IL. Kane County, IL. Kendall County, IL. McHenry County, IL. Will County, IL.	
17020	Chico, CA	1.1073
	Butte County, CA.	
17140	Cincinnati-Middletown, OH-KY-IN	0.9617
	Dearborn County, IN. Franklin County, IN. Ohio County, IN. Boone County, KY. Bracken County, KY. Campbell County, KY. Gallatin County, KY. Grant County, KY. Kenton County, KY. Pendleton County, KY. Brown County, OH. Butler County, OH. Clermont County, OH. Hamilton County, OH. Warren County, OH.	
17300	Clarksville, TN-KY	0.8451
	Christian County, KY. Trigg County, KY. Montgomery County, TN. Stewart County, TN.	
17420	Cleveland, TN	0.8124
	Bradley County, TN. Polk County, TN.	
17460	Cleveland-Elyria-Mentor, OH	0.9385
	Cuyahoga County, OH. Geauga County, OH. Lake County, OH. Lorain County, OH. Medina County, OH.	
17660	Coeur d'Alene, ID	0.9360
	Kootenai County, ID.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
17780	College Station-Bryan, TX Brazos County, TX. Burleson County, TX. Robertson County, TX.	0.9061
17820	Colorado Springs, CO El Paso County, CO. Teller County, CO.	0.9718
17860	Columbia, MO Boone County, MO. Howard County, MO.	0.8557
17900	Columbia, SC Calhoun County, SC. Fairfield County, SC. Kershaw County, SC. Lexington County, SC. Richland County, SC. Saluda County, SC.	0.8028
17980	Columbus, GA-AL Russell County, AL. Chattahoochee County, GA. Harris County, GA. Marion County, GA. Muscogee County, GA.	0.8254
18020	Columbus, IN Bartholomew County, IN.	0.9334
18140	Columbus, OH Delaware County, OH. Fairfield County, OH. Franklin County, OH. Licking County, OH. Madison County, OH. Morrow County, OH. Pickaway County, OH. Union County, OH.	1.0122
18580	Corpus Christi, TX Aransas County, TX. Nueces County, TX. San Patricio County, TX.	0.8579
18700	Corvallis, OR Benton County, OR.	1.1566
19060	Cumberland, MD-WV Allegany County, MD. Mineral County, WV.	0.8859
19124	Dallas-Plano-Irving, TX Collin County, TX. Dallas County, TX. Delta County, TX. Denton County, TX. Ellis County, TX. Hunt County, TX. Kaufman County, TX. Rockwall County, TX.	1.0093
19140	Dalton, GA Murray County, GA. Whitfield County, GA.	0.9061
19180	Danville, IL Vermilion County, IL.	0.9283
19260	Danville, VA Pittsylvania County, VA. Danville City, VA.	0.8466
19340	Davenport-Moline-Rock Island, IA-IL Henry County, IL. Mercer County, IL. Rock Island County, IL. Scott County, IA.	0.8557
19380	Dayton, OH Greene County, OH. Miami County, OH. Montgomery County, OH. Preble County, OH.	0.9053

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
19460	Decatur, AL Lawrence County, AL. Morgan County, AL.	0.8220
19500	Decatur, IL Macon County, IL.	0.8187
19660	Deltona-Daytona Beach-Ormond Beach, FL Volusia County, FL.	0.9280
19740	Denver-Aurora, CO Adams County, CO. Arapahoe County, CO. Broomfield County, CO. Clear Creek County, CO. Denver County, CO. Douglas County, CO. Elbert County, CO. Gilpin County, CO. Jefferson County, CO. Park County, CO.	1.0947
19780	Des Moines, IA Dallas County, IA. Guthrie County, IA. Madison County, IA. Polk County, IA. Warren County, IA.	0.9136
19804	Detroit-Livonia-Dearborn, MI Wayne County, MI.	1.0223
20020	Dothan, AL Geneva County, AL. Henry County, AL. Houston County, AL.	0.7438
20100	Dover, DE Kent County, DE.	0.9865
20220	Dubuque, IA Dubuque County, IA.	0.9150
20260	Duluth, MN-WI Carlton County, MN. St. Louis County, MN. Douglas County, WI.	1.0070
20500	Durham, NC Chatham County, NC. Durham County, NC. Orange County, NC. Person County, NC.	0.9843
20740	Eau Claire, WI Chippewa County, WI. Eau Claire County, WI.	0.9647
20764	Edison, NJ Middlesex County, NJ. Monmouth County, NJ. Ocean County, NJ. Somerset County, NJ.	1.1207
20940	El Centro, CA Imperial County, CA.	0.9092
21060	Elizabethtown, KY Hardin County, KY. Larue County, KY.	0.8713
21140	Elkhart-Goshen, IN Elkhart County, IN.	0.9442
21300	Elmira, NY Chemung County, NY.	0.8213
21340	El Paso, TX El Paso County, TX.	0.9069
21500	Erie, PA Erie County, PA.	0.8704
21604	Essex County, MA Essex County, MA.	1.0437
21660	Eugene-Springfield, OR Lane County, OR.	1.0896
21780	Evansville, IN-KY Gibson County, IN.	0.8830

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Posey County, IN. Vanderburgh County, IN. Warrick County, IN. Henderson County, KY. Webster County, KY.	
21820	Fairbanks, AK	1.1079
	Fairbanks North Star Borough, AK.	
21940	Fajardo, PR	0.4044
	Ceiba Municipio, PR. Fajardo Municipio, PR. Luquillo Municipio, PR.	
22020	Fargo, ND-MN	0.8265
	Cass County, ND. Clay County, MN.	
22140	Farmington, NM	0.8604
	San Juan County, NM.	
22180	Fayetteville, NC	0.8961
	Cumberland County, NC. Hoke County, NC.	
22220	Fayetteville-Springdale-Rogers, AR-MO	0.8761
	Benton County, AR. Madison County, AR. Washington County, AR. McDonald County, MO.	
22380	Flagstaff, AZ	1.1621
	Coconino County, AZ.	
22420	Flint, MI	1.0988
	Genesee County, MI.	
22500	Florence, SC	0.8421
	Darlington County, SC. Florence County, SC.	
22520	Florence-Muscle Shoals, AL	0.7967
	Colbert County, AL. Lauderdale County, AL.	
22540	Fond du Lac, WI	1.0081
	Fond du Lac County, WI.	
22660	Fort Collins-Loveland, CO	0.9561
	Larimer County, CO.	
22744	Fort Lauderdale-Pompano Beach-Deerfield Beach, FL. Broward County, FL.	1.0151
22900	Fort Smith, AR-OK	0.7745
	Crawford County, AR. Franklin County, AR. Sebastian County, AR. Le Flore County, OK. Sequoyah County, OK.	
23020	Fort Walton Beach-Crestview-Destin, FL	0.8658
	Okaloosa County, FL.	
23060	Fort Wayne, IN	0.9504
	Allen County, IN. Wells County, IN. Whitley County, IN.	
23104	Fort Worth-Arlington, TX	0.9587
	Johnson County, TX. Parker County, TX. Tarrant County, TX. Wise County, TX.	
23420	Fresno, CA	1.0965
	Fresno County, CA.	
23460	Gadsden, AL	0.8080
	Etowah County, AL.	
23540	Gainesville, FL	0.9312
	Alachua County, FL. Gilchrist County, FL.	
23580	Gainesville, GA	0.8974
	Hall County, GA.	
23844	Gary, IN	0.9281
	Jasper County, IN. Lake County, IN.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
24020	Newton County, IN. Porter County, IN. Glens Falls, NY Warren County, NY. Washington County, NY.	0.8339
24140	Goldsboro, NC Wayne County, NC.	0.9187
24220	Grand Forks, ND-MN Polk County, MN. Grand Forks County, ND.	0.7963
24300	Grand Junction, CO Mesa County, CO.	0.9685
24340	Grand Rapids-Wyoming, MI Barry County, MI. Ionia County, MI. Kent County, MI. Newaygo County, MI.	0.9470
24500	Great Falls, MT Cascade County, MT.	0.8613
24540	Greeley, CO Weld County, CO.	0.9619
24580	Green Bay, WI Brown County, WI. Kewaunee County, WI. Oconto County, WI.	0.9804
24660	Greensboro-High Point, NC Guilford County, NC. Randolph County, NC. Rockingham County, NC.	0.8735
24780	Greenville, NC Greene County, NC. Pitt County, NC.	0.9449
24860	Greenville, SC Greenville County, SC. Laurens County, SC. Pickens County, SC.	0.9733
25020	Guayama, PR Arroyo Municipio, PR. Guayama Municipio, PR. Patillas Municipio, PR.	0.3241
25060	Gulfport-Biloxi, MS Hancock County, MS. Harrison County, MS. Stone County, MS.	0.8931
25180	Hagerstown-Martinsburg, MD-WV Washington County, MD. Berkeley County, WV. Morgan County, WV.	0.9054
25260	Hanford-Corcoran, CA Kings County, CA.	1.0142
25420	Harrisburg-Carlisle, PA Cumberland County, PA. Dauphin County, PA. Perry County, PA.	0.9419
25500	Harrisonburg, VA Rockingham County, VA. Harrisonburg City, VA.	0.9090
25540	Hartford-West Hartford-East Hartford, CT Hartford County, CT. Litchfield County, CT. Middlesex County, CT. Tolland County, CT.	1.0916
25620	Hattiesburg, MS Forrest County, MS. Lamar County, MS. Perry County, MS.	0.7443
25860	Hickory-Lenoir-Morganton, NC Alexander County, NC. Burke County, NC. Caldwell County, NC.	0.9021

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
25980	Catawba County, NC. Hinesville-Fort Stewart, GA Liberty County, GA. Long County, GA.	0.9163
26100	Holland-Grand Haven, MI Ottawa County, MI.	0.9205
26180	Honolulu, HI Honolulu County, HI.	1.1067
26300	Hot Springs, AR Garland County, AR.	0.8797
26380	Houma-Bayou Cane-Thibodaux, LA Lafourche Parish, LA. Terrebonne Parish, LA.	0.8003
26420	Houston-Baytown-Sugar Land, TX Austin County, TX. Brazoria County, TX. Chambers County, TX. Fort Bend County, TX. Galveston County, TX. Harris County, TX. Liberty County, TX. Montgomery County, TX. San Jacinto County, TX. Waller County, TX.	1.0026
26580	Huntington-Ashland, WV-KY-OH Boyd County, KY. Greenup County, KY. Lawrence County, OH. Cabell County, WV. Wayne County, WV.	0.9013
26620	Huntsville, AL Limestone County, AL. Madison County, AL.	0.9051
26820	Idaho Falls, ID Bonneville County, ID. Jefferson County, ID.	0.9104
26900	Indianapolis, IN Boone County, IN. Brown County, IN. Hamilton County, IN. Hancock County, IN. Hendricks County, IN. Johnson County, IN. Marion County, IN. Morgan County, IN. Putnam County, IN. Shelby County, IN.	0.9766
26980	Iowa City, IA Johnson County, IA. Washington County, IA.	0.9731
27060	Ithaca, NY Tompkins County, NY.	0.9831
27100	Jackson, MI Jackson County, MI.	0.9577
27140	Jackson, MS Copiah County, MS. Hinds County, MS. Madison County, MS. Rankin County, MS. Simpson County, MS.	0.8286
27180	Jackson, TN Chester County, TN. Madison County, TN.	0.8869
27260	Jacksonville, FL Baker County, FL. Clay County, FL. Duval County, FL. Nassau County, FL. St. Johns County, FL.	0.9042
27340	Jacksonville, NC	0.8245

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
27500	Onslow County, NC.	
27500	Janesville, WI	0.9672
27620	Rock County, WI.	
27620	Jefferson City, MO	0.8347
	Callaway County, MO.	
	Cole County, MO.	
	Moniteau County, MO.	
	Osage County, MO.	
27740	Johnson City, TN	0.8057
	Carter County, TN.	
	Unicoi County, TN.	
	Washington County, TN.	
27780	Johnstown, PA	0.8635
	Cambria County, PA.	
27860	Jonesboro, AR	0.7609
	Craighead County, AR.	
	Poinsett County, AR.	
27900	Joplin, MO	0.8620
	Jasper County, MO.	
	Newton County, MO.	
28020	Kalamazoo-Portage, MI	1.0723
	Kalamazoo County, MI.	
	Van Buren County, MI.	
28100	Kankakee-Bradley, IL	0.9990
	Kankakee County, IL.	
28140	Kansas City, MO-KS	0.9514
	Franklin County, KS.	
	Johnson County, KS.	
	Leavenworth County, KS.	
	Linn County, KS.	
	Miami County, KS.	
	Wyandotte County, KS.	
	Bates County, MO.	
	Caldwell County, MO.	
	Cass County, MO.	
	Clay County, MO.	
	Clinton County, MO.	
	Jackson County, MO.	
	Lafayette County, MO.	
	Platte County, MO.	
	Ray County, MO.	
28420	Kennewick-Richland-Pasco, WA	1.0361
	Benton County, WA.	
	Franklin County, WA.	
28660	Killeen-Temple-Fort Hood, TX	0.9098
	Bell County, TX.	
	Coryell County, TX.	
	Lampasas County, TX.	
28700	Kingsport-Bristol-Bristol, TN-VA	0.7975
	Hawkins County, TN.	
	Sullivan County, TN.	
	Bristol City, VA.	
	Scott County, VA.	
	Washington County, VA.	
28740	Kingston, NY	0.9383
	Ulster County, NY.	
28940	Knoxville, TN	0.8263
	Anderson County, TN.	
	Blount County, TN.	
	Knox County, TN.	
	Loudon County, TN.	
	Union County, TN.	
29020	Kokomo, IN	0.9460
	Howard County, IN.	
	Tipton County, IN.	
29100	La Crosse, WI-MN	0.9442
	Houston County, MN.	
	La Crosse County, WI.	
29140	Lafayette, IN	0.8972
	Benton County, IN.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-
RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
29180	Carroll County, IN. Tippecanoe County, IN. Lafayette, LA	0.8293
29340	Lafayette Parish, LA. St. Martin Parish, LA. Lake Charles, LA	0.7928
29404	Calcasieu Parish, LA. Cameron Parish, LA. Lake County-Kenosha County, IL-WI	1.0406
29460	Lake County, IL. Kenosha County, WI. Lakeland, FL	0.8895
29540	Polk County, FL. Lancaster, PA	0.9644
29620	Lancaster County, PA. Lansing-East Lansing, MI	1.0102
29700	Clinton County, MI. Eaton County, MI. Ingham County, MI. Laredo, TX	0.7825
29740	Webb County, TX. Las Cruces, NM	0.9290
29820	Dona Ana County, NM. Las Vegas-Paradise, NV	1.1450
29940	Clark County, NV. Lawrence, KS	0.8353
30020	Douglas County, KS. Lawton, OK	0.8080
30140	Comanche County, OK. Lebanon, PA	0.8695
30300	Lebanon County, PA. Lewiston, ID-WA	0.9871
30340	Nez Perce County, ID. Asotin County, WA. Lewiston-Auburn, ME	0.9148
30460	Androscoggin County, ME. Lexington-Fayette, KY	0.9191
30620	Bourbon County, KY. Clark County, KY. Fayette County, KY. Jessamine County, KY. Scott County, KY. Woodford County, KY. Lima, OH	0.9058
30700	Allen County, OH. Lincoln, NE	1.0110
30780	Lancaster County, NE. Seward County, NE. Little Rock-North Little Rock, AR	0.8906
30860	Faulkner County, AR. Grant County, AR. Lonoke County, AR. Perry County, AR. Pulaski County, AR. Saline County, AR. Logan, UT-ID	0.9038
30980	Franklin County, ID. Cache County, UT. Longview, TX	0.8803
31020	Gregg County, TX. Rusk County, TX. Upshur County, TX. Longview, WA	1.0029
31084	Cowlitz County, WA. Los Angeles-Long Beach-Glendale, CA	1.1752
31140	Los Angeles County, CA. Louisville, KY-IN	0.9135
	Clark County, IN. Floyd County, IN. Harrison County, IN.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Washington County, IN. Bullitt County, KY. Henry County, KY. Jefferson County, KY. Meade County, KY. Nelson County, KY. Oldham County, KY. Shelby County, KY. Spencer County, KY. Trimble County, KY.	
31180	Lubbock, TX	0.8628
	Crosby County, TX. Lubbock County, TX.	
31340	Lynchburg, VA	0.8710
	Amherst County, VA. Appomattox County, VA. Bedford County, VA. Campbell County, VA. Bedford City, VA. Lynchburg City, VA.	
31420	Macon, GA	0.9518
	Bibb County, GA. Crawford County, GA. Jones County, GA. Monroe County, GA. Twiggs County, GA.	
31460	Madera, CA	0.8169
	Madera County, CA.	
31540	Madison, WI	1.0736
	Columbia County, WI. Dane County, WI. Iowa County, WI.	
31700	Manchester-Nashua, NH	1.0261
	Hillsborough County, NH. Merrimack County, NH.	
31900	Mansfield, OH	0.9287
	Richland County, OH.	
32420	Mayagüez, PR	0.3857
	Hormigueros Municipio, PR. Mayagüez Municipio, PR.	
32580	McAllen-Edinburg-Pharr, TX	0.8788
	Hidalgo County, TX.	
32780	Medford, OR	1.0837
	Jackson County, OR.	
32820	Memphis, TN-MS-AR	0.9361
	Crittenden County, AR. DeSoto County, MS. Marshall County, MS. Tate County, MS. Tunica County, MS. Fayette County, TN. Shelby County, TN. Tipton County, TN.	
32900	Merced, CA	1.1415
	Merced County, CA.	
33124	Miami-Miami Beach-Kendall, FL	0.9830
	Miami-Dade County, FL.	
33140	Michigan City-La Porte, IN	0.9093
	LaPorte County, IN.	
33260	Midland, TX	0.9803
	Midland County, TX.	
33340	Milwaukee-Waukesha-West Allis, WI	1.0236
	Milwaukee County, WI. Ozaukee County, WI. Washington County, WI. Waukesha County, WI.	
33460	Minneapolis-St. Paul-Bloomington, MN-WI	1.0965
	Anoka County, MN. Carver County, MN. Chisago County, MN.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Dakota County, MN. Hennepin County, MN. Isanti County, MN. Ramsey County, MN. Scott County, MN. Sherburne County, MN. Washington County, MN. Wright County, MN. Pierce County, WI. St. Croix County, WI.	
33540	Missoula, MT	0.8944
	Missoula County, MT.	
33660	Mobile, AL	0.7947
	Mobile County, AL.	
33700	Modesto, CA	1.1590
	Stanislaus County, CA.	
33740	Monroe, LA	0.8011
	Ouachita Parish, LA. Union Parish, LA.	
33780	Monroe, MI	0.9725
	Monroe County, MI.	
33860	Montgomery, AL	0.8023
	Autauga County, AL. Elmore County, AL. Lowndes County, AL. Montgomery County, AL.	
34060	Morgantown, WV	0.8438
	Monongalia County, WV. Preston County, WV.	
34100	Morristown, TN	0.7944
	Grainger County, TN. Hamblen County, TN. Jefferson County, TN.	
34580	Mount Vernon-Anacortes, WA	1.0536
	Skagit County, WA.	
34620	Muncie, IN	0.8299
	Delaware County, IN.	
34740	Muskegon-Norton Shores, MI	0.9957
	Muskegon County, MI.	
34820	Myrtle Beach-Conway-North Myrtle Beach, SC	0.8824
	Horry County, SC.	
34900	Napa, CA	1.3496
	Napa County, CA.	
34940	Naples-Marco Island, FL	0.9959
	Collier County, FL.	
34980	Nashville-Davidson--Murfreesboro, TN	0.9862
	Cannon County, TN. Cheatham County, TN. Davidson County, TN. Dickson County, TN. Hickman County, TN. Macon County, TN. Robertson County, TN. Rutherford County, TN. Smith County, TN. Sumner County, TN. Trousdale County, TN. Williamson County, TN. Wilson County, TN.	
35004	Nassau-Suffolk, NY	1.2681
	Nassau County, NY. Suffolk County, NY.	
35084	Newark-Union, NJ-PA	1.1890
	Essex County, NJ. Hunterdon County, NJ. Morris County, NJ. Sussex County, NJ. Union County, NJ. Pike County, PA.	
35300	New Haven-Milford, CT	1.1974

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
35380	New Haven County, CT. New Orleans-Metairie-Kenner, LA Jefferson Parish, LA. Orleans Parish, LA. Plaquemines Parish, LA. St. Bernard Parish, LA. St. Charles Parish, LA. St. John the Baptist Parish, LA. St. Tammany Parish, LA.	0.8858
35644	New York-Wayne-White Plains, NY-NJ Bergen County, NJ. Hudson County, NJ. Passaic County, NJ. Bronx County, NY. Kings County, NY. New York County, NY. Putnam County, NY. Queens County, NY. Richmond County, NY. Rockland County, NY. Westchester County, NY.	1.3208
35660	Niles-Benton Harbor, MI Berrien County, MI.	0.8931
35980	Norwich-New London, CT New London County, CT.	1.1953
36084	Oakland-Fremont-Hayward, CA Alameda County, CA. Contra Costa County, CA.	1.5420
36100	Ocala, FL Marion County, FL.	0.8883
36140	Ocean City, NJ Cape May County, NJ.	1.0490
36220	Odessa, TX Ector County, TX.	1.0119
36260	Ogden-Clearfield, UT Davis County, UT. Morgan County, UT. Weber County, UT.	0.9011
36420	Oklahoma City, OK Canadian County, OK. Cleveland County, OK. Grady County, OK. Lincoln County, OK. Logan County, OK. McClain County, OK. Oklahoma County, OK.	0.8853
36500	Olympia, WA Thurston County, WA.	1.1100
36540	Omaha-Council Bluffs, NE-IA Harrison County, IA. Mills County, IA. Pottawattamie County, IA. Cass County, NE. Douglas County, NE. Sarpy County, NE. Saunders County, NE. Washington County, NE.	0.9467
36740	Orlando, FL Lake County, FL. Orange County, FL. Osceola County, FL. Seminole County, FL.	0.9422
36780	Oshkosh-Neenah, WI Winnebago County, WI.	0.9332
36980	Owensboro, KY Daviess County, KY. Hancock County, KY. McLean County, KY.	0.8763
37100	Oxnard-Thousand Oaks-Ventura, CA Ventura County, CA.	1.1591

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
37340	Palm Bay-Melbourne-Titusville, FL	0.9448
	Brevard County, FL.	
37460	Panama City-Lynn Haven, FL	0.8087
	Bay County, FL.	
37620	Parkersburg-Marietta, WV-OH	0.7940
	Washington County, OH.	
	Pleasants County, WV.	
	Wirt County, WV.	
	Wood County, WV.	
37700	Pascagoula, MS	0.8230
	George County, MS.	
	Jackson County, MS.	
37860	Pensacola-Ferry Pass-Brent, FL	0.8014
	Escambia County, FL.	
	Santa Rosa County, FL.	
37900	Peoria, IL	0.8998
	Marshall County, IL.	
	Peoria County, IL.	
	Stark County, IL.	
	Tazewell County, IL.	
	Woodford County, IL.	
37964	Philadelphia, PA	1.1018
	Bucks County, PA.	
	Chester County, PA.	
	Delaware County, PA.	
	Montgomery County, PA.	
	Philadelphia County, PA.	
38060	Phoenix-Mesa-Scottsdale, AZ	1.0305
	Maricopa County, AZ.	
	Pinal County, AZ.	
38220	Pine Bluff, AR	0.8398
	Cleveland County, AR.	
	Jefferson County, AR.	
	Lincoln County, AR.	
38300	Pittsburgh, PA	0.8685
	Allegheny County, PA.	
	Armstrong County, PA.	
	Beaver County, PA.	
	Butler County, PA.	
	Fayette County, PA.	
	Washington County, PA.	
	Westmoreland County, PA.	
38340	Pittsfield, MA	1.0284
	Berkshire County, MA.	
38540	Pocatello, ID	0.9417
	Bannock County, ID.	
	Power County, ID.	
38660	Ponce, PR	0.4851
	Juana Díaz Municipio, PR.	
	Ponce Municipio, PR.	
	Villalba Municipio, PR.	
38860	Portland-South Portland-Biddeford, ME	0.9926
	Cumberland County, ME.	
	Sagadahoc County, ME.	
	York County, ME.	
38900	Portland-Vancouver-Beaverton, OR-WA	1.1436
	Clackamas County, OR.	
	Columbia County, OR.	
	Multnomah County, OR.	
	Washington County, OR.	
	Yamhill County, OR.	
	Clark County, WA.	
	Skamania County, WA.	
38940	Port St. Lucie-Fort Pierce, FL	0.9851
	Martin County, FL.	
	St. Lucie County, FL.	
39100	Poughkeepsie-Newburgh-Middletown, NY	1.0913
	Dutchess County, NY.	
	Orange County, NY.	
39140	Prescott, AZ	0.9853

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
39300	Yavapai County, AZ. Providence-New Bedford-Fall River, RI-MA Bristol County, MA. Bristol County, RI. Kent County, RI. Newport County, RI. Providence County, RI. Washington County, RI.	1.0804
39340	Provo-Orem, UT Juab County, UT. Utah County, UT.	0.9554
39380	Pueblo, CO Pueblo County, CO.	0.8552
39460	Punta Gorda, FL Charlotte County, FL.	0.9421
39540	Racine, WI Racine County, WI.	0.9192
39580	Raleigh-Cary, NC Franklin County, NC. Johnston County, NC. Wake County, NC.	0.9879
39660	Rapid City, SD Meade County, SD. Pennington County, SD.	1.0351
39740	Reading, PA Berks County, PA.	0.9639
39820	Redding, CA Shasta County, CA.	1.3221
39900	Reno-Sparks, NV Storey County, NV. Washoe County, NV.	1.1984
40060	Richmond, VA Amelia County, VA. Caroline County, VA. Charles City County, VA. Chesterfield County, VA. Cumberland County, VA. Dinwiddie County, VA. Goochland County, VA. Hanover County, VA. Henrico County, VA. King and Queen County, VA. King William County, VA. Louisa County, VA. New Kent County, VA. Powhatan County, VA. Prince George County, VA. Sussex County, VA. Colonial Heights City, VA. Hopewell City, VA. Petersburg City, VA. Richmond City, VA.	0.9193
40140	Riverside-San Bernardino-Ontario, CA Riverside County, CA. San Bernardino County, CA.	1.0934
40220	Roanoke, VA Botetourt County, VA. Craig County, VA. Franklin County, VA. Roanoke County, VA. Roanoke City, VA. Salem City, VA.	0.8662
40340	Rochester, MN Dodge County, MN. Olmsted County, MN. Wabasha County, MN.	1.1260
40380	Rochester, NY Livingston County, NY. Monroe County, NY. Ontario County, NY.	0.9005

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-
RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
40420	Orleans County, NY. Wayne County, NY. Rockford, IL	1.0007
40484	Boone County, IL. Winnebago County, IL. Rockingham County-Strafford County, NH	1.0177
40580	Rockingham County, NH. Strafford County, NH. Rocky Mount, NC	0.8869
40660	Edgecombe County, NC. Nash County, NC. Rome, GA	0.9316
40900	Floyd County, GA. Sacramento-Arden-Arcade-Roseville, CA	1.3373
40980	El Dorado County, CA. Placer County, CA. Sacramento County, CA. Yolo County, CA.	0.8889
41060	Saginaw-Saginaw Township North, MI	1.0380
41100	Saginaw County, MI. St. Cloud, MN	0.9281
41140	Benton County, MN. Stearns County, MN. St. George, UT	1.0136
41180	Washington County, UT. St. Joseph, MO-KS	0.9013
41420	Doniphan County, KS. Andrew County, MO. Buchanan County, MO. DeKalb County, MO. St. Louis, MO-IL	1.0457
41500	Bond County, IL. Calhoun County, IL. Clinton County, IL. Jersey County, IL. Macoupin County, IL. Madison County, IL. Monroe County, IL. St. Clair County, IL. Crawford County, MO. Franklin County, MO. Jefferson County, MO. Lincoln County, MO. St. Charles County, MO. St. Louis County, MO. Warren County, MO. Washington County, MO. St. Louis City, MO.	1.4459
41540	Salem, OR	0.8969
41620	Marion County, OR. Polk County, OR. Salinas, CA	0.9418
41660	Monterey County, CA. Salisbury, MD	0.8377
41700	Somerset County, MD. Wicomico County, MD. Salt Lake City, UT	0.8860
	Salt Lake County, UT. Summit County, UT. Tooele County, UT.	
	San Angelo, TX	
	Irion County, TX. Tom Green County, TX.	
	San Antonio, TX	
	Atascosa County, TX. Bandera County, TX. Bexar County, TX. Comal County, TX. Guadalupe County, TX. Kendall County, TX.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
41740	Medina County, TX. Wilson County, TX. San Diego-Carlsbad-San Marcos, CA	1.1374
41780	San Diego County, CA. Sandusky, OH	0.9319
41884	Erie County, OH. San Francisco-San Mateo-Redwood City, CA	1.5071
41900	Marin County, CA. San Francisco County, CA. San Mateo County, CA. San Germán-Cabo Rojo, PR	0.4893
41940	Cabo Rojo Municipio, PR. Lajas Municipio, PR. Sabana Grande Municipio, PR. San Germán Municipio, PR. San Jose-Sunnyvale-Santa Clara, CA	1.5293
41980	San Benito County, CA. Santa Clara County, CA. San Juan-Caguas-Guaynabo, PR	0.4397
	Aguas Buenas Municipio, PR. Aibonito Municipio, PR. Arecibo Municipio, PR. Barceloneta Municipio, PR. Barranquitas Municipio, PR. Bayamón Municipio, PR. Caguas Municipio, PR. Camuy Municipio, PR. Canóvanas Municipio, PR. Carolina Municipio, PR. Cataño Municipio, PR. Cayey Municipio, PR. Ciales Municipio, PR. Cidra Municipio, PR. Comerio Municipio, PR. Corozal Municipio, PR. Dorado Municipio, PR. Florida Municipio, PR. Guaynabo Municipio, PR. Gurabo Municipio, PR. Hatillo Municipio, PR. Humacao Municipio, PR. Juncos Municipio, PR. Las Piedras Municipio, PR. Loíza Municipio, PR. Manatí Municipio, PR. Maunabo Municipio, PR. Morovis Municipio, PR. Naguabo Municipio, PR. Naranjito Municipio, PR. Orocovis Municipio, PR. Quebradillas Municipio, PR. Río Grande Municipio, PR. San Juan Municipio, PR. San Lorenzo Municipio, PR. Toa Alta Municipio, PR. Toa Baja Municipio, PR. Trujillo Alto Municipio, PR. Vega Alta Municipio, PR. Vega Baja Municipio, PR. Yabucoa Municipio, PR.	
42020	San Luis Obispo-Paso Robles, CA	1.1619
42044	San Luis Obispo County, CA. Santa Ana-Anaheim-Irvine, CA	1.1294
42060	Orange County, CA. Santa Barbara-Santa Maria-Goleta, CA	1.1075
42100	Santa Barbara County, CA. Santa Cruz-Watsonville, CA	1.5531
42140	Santa Cruz County, CA. Santa Fe, NM	1.0843
	Santa Fe County, NM.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
42220	Santa Rosa-Petaluma, CA	1.4489
	Sonoma County, CA.	
42260	Sarasota-Bradenton-Venice, FL	0.9885
	Manatee County, FL.	
	Sarasota County, FL.	
42340	Savannah, GA	0.9087
	Bryan County, GA.	
	Chatham County, GA.	
	Effingham County, GA.	
42540	Scranton-Wilkes-Barre, PA	0.8521
	Lackawanna County, PA.	
	Luzerne County, PA.	
	Wyoming County, PA.	
42644	Seattle-Bellevue-Everett, WA	1.1454
	King County, WA.	
	Snohomish County, WA.	
42680	Sebastian-Vero Beach, FL	0.9590
43100	Sheboygan, WI	0.9042
	Sheboygan County, WI.	
43300	Sherman-Denison, TX	0.8517
	Grayson County, TX.	
43340	Shreveport-Bossier City, LA	0.8881
	Bossier Parish, LA.	
	Caddo Parish, LA.	
	De Soto Parish, LA.	
43580	Sioux City, IA-NE-SD	0.9217
	Woodbury County, IA.	
	Dakota County, NE.	
	Dixon County, NE.	
	Union County, SD.	
43620	Sioux Falls, SD	0.9587
	Lincoln County, SD.	
	McCook County, SD.	
	Minnehaha County, SD.	
	Turner County, SD.	
43780	South Bend-Mishawaka, IN-MI	0.9690
	St. Joseph County, IN.	
	Cass County, MI.	
43900	Spartanburg, SC	0.9190
	Spartanburg County, SC.	
44060	Spokane, WA	1.0465
	Spokane County, WA.	
44100	Springfield, IL	0.8905
	Menard County, IL.	
	Sangamon County, IL.	
44140	Springfield, MA	1.0080
	Franklin County, MA.	
	Hampden County, MA.	
	Hampshire County, MA.	
44180	Springfield, MO	0.8484
	Christian County, MO.	
	Dallas County, MO.	
	Greene County, MO.	
	Polk County, MO.	
	Webster County, MO.	
44220	Springfield, OH	0.8462
	Clark County, OH.	
44300	State College, PA	0.8799
	Centre County, PA.	
44700	Stockton, CA	1.1462
	San Joaquin County, CA.	
44940	Sumter, SC	0.8098
	Sumter County, SC.	
45060	Syracuse, NY	0.9709
	Madison County, NY.	
	Onondaga County, NY.	
	Oswego County, NY.	
45104	Tacoma, WA	1.0808
	Pierce County, WA.	
45220	Tallahassee, FL	0.9299

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
45300	Gadsden County, FL. Jefferson County, FL. Leon County, FL. Wakulla County, FL. Tampa-St. Petersburg-Clearwater, FL	0.9160
45460	Hernando County, FL. Hillsborough County, FL. Pasco County, FL. Pinellas County, FL. Terre Haute, IN	0.8661
45500	Clay County, IN. Sullivan County, IN. Vermillion County, IN. Vigo County, IN. Texarkana, TX-Texarkana, AR	0.8118
45780	Miller County, AR. Bowie County, TX. Toledo, OH	0.9599
45820	Fulton County, OH. Lucas County, OH. Ottawa County, OH. Wood County, OH. Topeka, KS	0.8746
45940	Jackson County, KS. Jefferson County, KS. Osage County, KS. Shawnee County, KS. Wabaunsee County, KS. Trenton-Ewing, NJ	1.0877
46060	Mercer County, NJ. Tucson, AZ	0.9219
46140	Pima County, AZ. Tulsa, OK	0.8104
46220	Creek County, OK. Okmulgee County, OK. Osage County, OK. Pawnee County, OK. Rogers County, OK. Tulsa County, OK. Wagoner County, OK. Tuscaloosa, AL	0.8641
46340	Greene County, AL. Hale County, AL. Tuscaloosa County, AL. Tyler, TX	0.8827
46540	Smith County, TX. Utica-Rome, NY	0.8402
46660	Herkimer County, NY. Oneida County, NY. Valdosta, GA	0.8344
46700	Brooks County, GA. Echols County, GA. Lanier County, GA. Lowndes County, GA. Vallejo-Fairfield, CA	1.5164
47020	Solano County, CA. Victoria, TX	0.8575
47220	Calhoun County, TX. Goliad County, TX. Victoria County, TX. Vineland-Millville-Bridgeton, NJ	0.9849
47260	Cumberland County, NJ. Virginia Beach-Norfolk-Newport News, VA-NC	0.8805
	Currituck County, NC. Gloucester County, VA. Isle of Wight County, VA. James City County, VA. Mathews County, VA. Surry County, VA. York County, VA.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Chesapeake City, VA. Hampton City, VA. Newport News City, VA. Norfolk City, VA. Poquoson City, VA. Portsmouth City, VA. Suffolk City, VA. Virginia Beach City, VA. Williamsburg City, VA.	
47300	Visalia-Porterville, CA	0.9986
	Tulare County, CA.	
47380	Waco, TX	0.8648
	McLennan County, TX.	
47580	Warner Robins, GA	0.8394
	Houston County, GA.	
47644	Warren-Farmington Hills-Troy, MI	1.0126
	Lapeer County, MI. Livingston County, MI. Macomb County, MI. Oakland County, MI. St. Clair County, MI.	
47894	Washington-Arlington-Alexandria, DC-VA-MD-WV	1.1074
	District of Columbia, DC. Calvert County, MD. Charles County, MD. Prince George's County, MD. Arlington County, VA. Clarke County, VA. Fairfax County, VA. Fauquier County, VA. Loudoun County, VA. Prince William County, VA. Spotsylvania County, VA. Stafford County, VA. Warren County, VA. Alexandria City, VA. Fairfax City, VA. Falls Church City, VA. Fredericksburg City, VA. Manassas City, VA. Manassas Park City, VA. Jefferson County, WV.	
47940	Waterloo-Cedar Falls, IA	0.8422
	Black Hawk County, IA. Bremer County, IA. Grundy County, IA.	
48140	Wausau, WI	0.9740
	Marathon County, WI.	
48260	Weirton-Steubenville, WV-OH	0.8078
	Jefferson County, OH. Brooke County, WV. Hancock County, WV.	
48300	Wenatchee, WA	1.0365
	Chelan County, WA. Douglas County, WA.	
48424	West Palm Beach-Boca Raton-Boynton Beach, FL	0.9657
	Palm Beach County, FL.	
48540	Wheeling, WV-OH	0.7022
	Belmont County, OH. Marshall County, WV. Ohio County, WV.	
48620	Wichita, KS	0.9079
	Butler County, KS. Harvey County, KS. Sedgwick County, KS. Sumner County, KS.	
48660	Wichita Falls, TX	0.8326
	Archer County, TX. Clay County, TX. Wichita County, TX.	

ADDENDUM B.—PROPOSED CY 2007 WAGE INDEX FOR URBAN AREAS BY CBSA; APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

CBSA code	Urban area (constituent counties)	Wage index
48700	Williamsport, PA	0.8126
	Lycoming County, PA.	
48864	Wilmington, DE-MD-NJ	1.0703
	New Castle County, DE.	
	Cecil County, MD.	
	Salem County, NJ.	
48900	Wilmington, NC	0.9853
	Brunswick County, NC.	
	New Hanover County, NC.	
	Pender County, NC.	
49020	Winchester, VA-WV	1.0109
	Frederick County, VA.	
	Winchester City, VA.	
	Hampshire County, WV.	
49180	Winston-Salem, NC	0.9293
	Davie County, NC.	
	Forsyth County, NC.	
	Stokes County, NC.	
	Yadkin County, NC.	
49340	Worcester, MA	1.0741
	Worcester County, MA.	
49420	Yakima, WA	0.9865
	Yakima County, WA.	
49500	Yauco, PR	0.3861
	Guánica Municipio, PR.	
	Guayanilla Municipio, PR.	
	Peñuelas Municipio, PR.	
	Yauco Municipio, PR.	
49620	York-Hanover, PA	0.9414
	York County, PA.	
49660	Youngstown-Warren-Boardman, OH-PA	0.8817
	Mahoning County, OH.	
	Trumbull County, OH.	
	Mercer County, PA.	
49700	Yuba City, CA	1.0749
	Sutter County, CA.	
	Yuba County, CA.	
49740	Yuma, AZ	0.9125
	Yuma County, AZ.	

² At this time, there are no hospitals in these urban areas on which to base a wage index. Therefore, the urban wage index value is based on the average wage index of all urban areas within the State.

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
01000	Autauga County, Alabama	33860	0.8618	0.8023	-6.90
01010	Baldwin County, Alabama	99901	0.7654	0.7652	-0.03
01020	Barbour County, Alabama	99901	0.7439	0.7652	2.86
01030	Bibb County, Alabama	13820	0.8196	0.8919	8.82
01040	Blount County, Alabama	13820	0.8980	0.8919	-0.68
01050	Bullock County, Alabama	99901	0.7439	0.7652	2.86
01060	Butler County, Alabama	99901	0.7439	0.7652	2.86
01070	Calhoun County, Alabama	11500	0.7682	0.7868	2.42
01080	Chambers County, Alabama	99901	0.7439	0.7652	2.86
01090	Cherokee County, Alabama	99901	0.7439	0.7652	2.86
01100	Chilton County, Alabama	13820	0.8196	0.8919	8.82
01110	Choctaw County, Alabama	99901	0.7439	0.7652	2.86
01120	Clarke County, Alabama	99901	0.7439	0.7652	2.86
01130	Clay County, Alabama	99901	0.7439	0.7652	2.86
01140	Cleburne County, Alabama	99901	0.7439	0.7652	2.86
01150	Coffee County, Alabama	99901	0.7439	0.7652	2.86
01160	Colbert County, Alabama	22520	0.8272	0.7967	-3.69
01170	Conecuh County, Alabama	99901	0.7439	0.7652	2.86

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
01180	Coosa County, Alabama	99901	0.7439	0.7652	2.86
01190	Covington County, Alabama	99901	0.7439	0.7652	2.86
01200	Crenshaw County, Alabama	99901	0.7439	0.7652	2.86
01210	Cullman County, Alabama	99901	0.7439	0.7652	2.86
01220	Dale County, Alabama	99901	0.7574	0.7652	1.03
01230	Dallas County, Alabama	99901	0.7439	0.7652	2.86
01240	De Kalb County, Alabama	99901	0.7439	0.7652	2.86
01250	Elmore County, Alabama	33860	0.8618	0.8023	-6.90
01260	Escambia County, Alabama	99901	0.7439	0.7652	2.86
01270	Etowah County, Alabama	23460	0.7938	0.8080	1.79
01280	Fayette County, Alabama	99901	0.7439	0.7652	2.86
01290	Franklin County, Alabama	99901	0.7439	0.7652	2.86
01300	Geneva County, Alabama	20020	0.7577	0.7438	-1.83
01310	Greene County, Alabama	46220	0.8039	0.8641	7.49
01320	Hale County, Alabama	46220	0.8039	0.8641	7.49
01330	Henry County, Alabama	20020	0.7577	0.7438	-1.83
01340	Houston County, Alabama	20020	0.7711	0.7438	-3.54
01350	Jackson County, Alabama	99901	0.7439	0.7652	2.86
01360	Jefferson County, Alabama	13820	0.8980	0.8919	-0.68
01370	Lamar County, Alabama	99901	0.7439	0.7652	2.86
01380	Lauderdale County, Alabama	22520	0.8272	0.7967	-3.69
01390	Lawrence County, Alabama	19460	0.8469	0.8220	-2.94
01400	Lee County, Alabama	12220	0.8100	0.8110	0.12
01410	Limestone County, Alabama	26620	0.9146	0.9051	-1.04
01420	Lowndes County, Alabama	33860	0.8025	0.8023	-0.02
01430	Macon County, Alabama	99901	0.7439	0.7652	2.86
01440	Madison County, Alabama	26620	0.9146	0.9051	-1.04
01450	Marengo County, Alabama	99901	0.7439	0.7652	2.86
01460	Marion County, Alabama	99901	0.7439	0.7652	2.86
01470	Marshall County, Alabama	99901	0.7439	0.7652	2.86
01480	Mobile County, Alabama	33660	0.7876	0.7947	0.90
01490	Monroe County, Alabama	99901	0.7439	0.7652	2.86
01500	Montgomery County, Alabama	33860	0.8618	0.8023	-6.90
01510	Morgan County, Alabama	19460	0.8469	0.8220	-2.94
01520	Perry County, Alabama	99901	0.7439	0.7652	2.86
01530	Pickens County, Alabama	99901	0.7439	0.7652	2.86
01540	Pike County, Alabama	99901	0.7439	0.7652	2.86
01550	Randolph County, Alabama	99901	0.7439	0.7652	2.86
01560	Russell County, Alabama	17980	0.8560	0.8254	-3.57
01570	St Clair County, Alabama	13820	0.8980	0.8919	-0.68
01580	Shelby County, Alabama	13820	0.8980	0.8919	-0.68
01590	Sumter County, Alabama	99901	0.7439	0.7652	2.86
01600	Talladega County, Alabama	99901	0.7439	0.7652	2.86
01610	Tallapoosa County, Alabama	99901	0.7439	0.7652	2.86
01620	Tuscaloosa County, Alabama	46220	0.8705	0.8641	-0.74
01630	Walker County, Alabama	13820	0.8196	0.8919	8.82
01640	Washington County, Alabama	99901	0.7439	0.7652	2.86
01650	Wilcox County, Alabama	99901	0.7439	0.7652	2.86
01660	Winston County, Alabama	99901	0.7439	0.7652	2.86
02013	Aleutians County East, Alaska	99902	1.1933	1.0680	-10.50
02016	Aleutians County West, Alaska	99902	1.1933	1.0680	-10.50
02020	Anchorage County, Alaska	11260	1.1840	1.2045	1.73
02030	Angoon County, Alaska	99902	1.1933	1.0680	-10.50
02040	Barrow-North Slope County, Alaska	99902	1.1933	1.0680	-10.50
02050	Bethel County, Alaska	99902	1.1933	1.0680	-10.50
02060	Bristol Bay Borough County, Alaska	99902	1.1933	1.0680	-10.50
02068	Denali County, Alaska	99902	1.1933	1.0680	-10.50
02070	Bristol Bay County, Alaska	99902	1.1933	1.0680	-10.50
02080	Cordova-Mc Carthy County, Alaska	99902	1.1933	1.0680	-10.50
02090	Fairbanks County, Alaska	21820	1.1648	1.1079	-4.88
02100	Haines County, Alaska	99902	1.1933	1.0680	-10.50
02110	Juneau County, Alaska	99902	1.1933	1.0680	-10.50
02120	Kenai-Cook Inlet County, Alaska	99902	1.1933	1.0680	-10.50
02122	Kenai Peninsula Borough, Alaska	99902	1.1933	1.0680	-10.50
02130	Ketchikan County, Alaska	99902	1.1933	1.0680	-10.50
02140	Kobuk County, Alaska	99902	1.1933	1.0680	-10.50
02150	Kodiak County, Alaska	99902	1.1933	1.0680	-10.50

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
02160	Kuskokwin County, Alaska	99902	1.1933	1.0680	-10.50
02164	Lake and Peninsula Borough, Alaska	99902	1.1933	1.0680	-10.50
02170	Matanuska County, Alaska	11260	1.1892	1.2045	1.29
02180	Nome County, Alaska	99902	1.1933	1.0680	-10.50
02185	North Slope Borough, Alaska	99902	1.1933	1.0680	-10.50
02188	Northwest Arctic Borough, Alaska	99902	1.1933	1.0680	-10.50
02190	Outer Ketchikan County, Alaska	99902	1.1933	1.0680	-10.50
02200	Prince Of Wales County, Alaska	99902	1.1933	1.0680	-10.50
02201	Prince of Wales-Outer Ketchikan Census Area, AK	99902	1.1933	1.0680	-10.50
02210	Seward County, Alaska	99902	1.1933	1.0680	-10.50
02220	Sitka County, Alaska	99902	1.1933	1.0680	-10.50
02230	Skagway-Yakutat County, Alaska	99902	1.1933	1.0680	-10.50
02231	Skagway-Yakutat-Angoon Census Area, Alaska	99902	1.1933	1.0680	-10.50
02232	Skagway-Hoonah-Angoon Census Area, Alaska	99902	1.1933	1.0680	-10.50
02240	Southeast Fairbanks County, Alaska	99902	1.1933	1.0680	-10.50
02250	Upper Yukon County, Alaska	99902	1.1933	1.0680	-10.50
02260	Valdez-Chitna-Whitier County, Alaska	99902	1.1933	1.0680	-10.50
02261	Valdez-Cordove Census Area, Alaska	99902	1.1933	1.0680	-10.50
02270	Wade Hampton County, Alaska	99902	1.1933	1.0680	-10.50
02280	Wrangell-Petersburg County, Alaska	99902	1.1933	1.0680	-10.50
02282	Yakutat Borough, Alaska	99902	1.1933	1.0680	-10.50
02290	Yukon-Koyukuk County, Alaska	99902	1.1933	1.0680	-10.50
03000	Apache County, Arizona	99903	0.8907	0.8924	0.19
03010	Cochise County, Arizona	99903	0.8907	0.8924	0.19
03020	Coconino County, Arizona	22380	1.1969	1.1621	-2.91
03030	Gila County, Arizona	99903	0.8907	0.8924	0.19
03040	Graham County, Arizona	99903	0.8907	0.8924	0.19
03050	Greenlee County, Arizona	99903	0.8907	0.8924	0.19
03055	La Paz County, Arizona	99903	0.8907	0.8924	0.19
03060	Maricopa County, Arizona	38060	1.0127	1.0305	1.76
03070	Mohave County, Arizona	99903	0.9962	0.8924	-10.42
03080	Navajo County, Arizona	99903	0.8907	0.8924	0.19
03090	Pima County, Arizona	46060	0.9007	0.9219	2.35
03100	Pinal County, Arizona	38060	1.0127	1.0305	1.76
03110	Santa Cruz County, Arizona	99903	0.8907	0.8924	0.19
03120	Yavapai County, Arizona	39140	0.9457	0.9853	4.19
03130	Yuma County, Arizona	49740	0.9126	0.9125	-0.01
04000	Arkansas County, Arkansas	99904	0.7605	0.7335	-3.55
04010	Ashley County, Arkansas	99904	0.7605	0.7335	-3.55
04020	Baxter County, Arkansas	99904	0.7605	0.7335	-3.55
04030	Benton County, Arkansas	22220	0.8661	0.8761	1.15
04040	Boone County, Arkansas	99904	0.7605	0.7335	-3.55
04050	Bradley County, Arkansas	99904	0.7605	0.7335	-3.55
04060	Calhoun County, Arkansas	99904	0.7605	0.7335	-3.55
04070	Carroll County, Arkansas	99904	0.7605	0.7335	-3.55
04080	Chicot County, Arkansas	99904	0.7605	0.7335	-3.55
04090	Clark County, Arkansas	99904	0.7605	0.7335	-3.55
04100	Clay County, Arkansas	99904	0.7605	0.7335	-3.55
04110	Cleburne County, Arkansas	99904	0.7605	0.7335	-3.55
04120	Cleveland County, Arkansas	38220	0.8212	0.8398	2.26
04130	Columbia County, Arkansas	99904	0.7605	0.7335	-3.55
04140	Conway County, Arkansas	99904	0.7605	0.7335	-3.55
04150	Craighead County, Arkansas	27860	0.7911	0.7609	-3.82
04160	Crawford County, Arkansas	22900	0.8238	0.7745	-5.98
04170	Crittenden County, Arkansas	32820	0.9407	0.9361	-0.49
04180	Cross County, Arkansas	99904	0.7605	0.7335	-3.55
04190	Dallas County, Arkansas	99904	0.7605	0.7335	-3.55
04200	Desha County, Arkansas	99904	0.7605	0.7335	-3.55
04210	Drew County, Arkansas	99904	0.7605	0.7335	-3.55
04220	Faulkner County, Arkansas	30780	0.8747	0.8906	1.82
04230	Franklin County, Arkansas	22900	0.7987	0.7745	-3.03
04240	Fulton County, Arkansas	99904	0.7605	0.7335	-3.55
04250	Garland County, Arkansas	26300	0.8375	0.8797	5.04
04260	Grant County, Arkansas	30780	0.8246	0.8906	8.00
04270	Greene County, Arkansas	99904	0.7605	0.7335	-3.55
04280	Hempstead County, Arkansas	99904	0.7605	0.7335	-3.55
04290	Hot Spring County, Arkansas	99904	0.7605	0.7335	-3.55

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
04300	Howard County, Arkansas	99904	0.7605	0.7335	-3.55
04310	Independence County, Arkansas	99904	0.7605	0.7335	-3.55
04320	Izard County, Arkansas	99904	0.7605	0.7335	-3.55
04330	Jackson County, Arkansas	99904	0.7605	0.7335	-3.55
04340	Jefferson County, Arkansas	38220	0.8680	0.8398	-3.25
04350	Johnson County, Arkansas	99904	0.7605	0.7335	-3.55
04360	Lafayette County, Arkansas	99904	0.7605	0.7335	-3.55
04370	Lawrence County, Arkansas	99904	0.7605	0.7335	-3.55
04380	Lee County, Arkansas	99904	0.7605	0.7335	-3.55
04390	Lincoln County, Arkansas	38220	0.8212	0.8398	2.26
04400	Little River County, Arkansas	99904	0.7605	0.7335	-3.55
04410	Logan County, Arkansas	99904	0.7605	0.7335	-3.55
04420	Lonoke County, Arkansas	30780	0.8747	0.8906	1.82
04430	Madison County, Arkansas	22220	0.8203	0.8761	6.80
04440	Marion County, Arkansas	99904	0.7605	0.7335	-3.55
04450	Miller County, Arkansas	45500	0.8283	0.8118	-1.99
04460	Mississippi County, Arkansas	99904	0.7605	0.7335	-3.55
04470	Monroe County, Arkansas	99904	0.7605	0.7335	-3.55
04480	Montgomery County, Arkansas	99904	0.7605	0.7335	-3.55
04490	Nevada County, Arkansas	99904	0.7605	0.7335	-3.55
04500	Newton County, Arkansas	99904	0.7605	0.7335	-3.55
04510	Ouachita County, Arkansas	99904	0.7605	0.7335	-3.55
04520	Perry County, Arkansas	30780	0.8246	0.8906	8.00
04530	Phillips County, Arkansas	99904	0.7605	0.7335	-3.55
04540	Pike County, Arkansas	99904	0.7605	0.7335	-3.55
04550	Poinsett County, Arkansas	27860	0.7828	0.7609	-2.80
04560	Polk County, Arkansas	99904	0.7605	0.7335	-3.55
04570	Pope County, Arkansas	99904	0.7605	0.7335	-3.55
04580	Prairie County, Arkansas	99904	0.7605	0.7335	-3.55
04590	Pulaski County, Arkansas	30780	0.8747	0.8906	1.82
04600	Randolph County, Arkansas	99904	0.7605	0.7335	-3.55
04610	St Francis County, Arkansas	99904	0.7605	0.7335	-3.55
04620	Saline County, Arkansas	30780	0.8747	0.8906	1.82
04630	Scott County, Arkansas	99904	0.7605	0.7335	-3.55
04640	Searcy County, Arkansas	99904	0.7605	0.7335	-3.55
04650	Sebastian County, Arkansas	22900	0.8238	0.7745	-5.98
04660	Sevier County, Arkansas	99904	0.7605	0.7335	-3.55
04670	Sharp County, Arkansas	99904	0.7605	0.7335	-3.55
04680	Stone County, Arkansas	99904	0.7605	0.7335	-3.55
04690	Union County, Arkansas	99904	0.7605	0.7335	-3.55
04700	Van Buren County, Arkansas	99904	0.7605	0.7335	-3.55
04710	Washington County, Arkansas	22220	0.8661	0.8761	1.15
04720	White County, Arkansas	99904	0.7605	0.7335	-3.55
04730	Woodruff County, Arkansas	99904	0.7605	0.7335	-3.55
04740	Yell County, Arkansas	99904	0.7605	0.7335	-3.55
05000	Alameda County, California	36084	1.5346	1.5420	0.48
05010	Alpine County, California	99905	1.0915	1.1302	3.55
05020	Amador County, California	99905	1.0915	1.1302	3.55
05030	Butte County, California	17020	1.0511	1.1073	5.35
05040	Calaveras County, California	99905	1.0915	1.1302	3.55
05050	Colusa County, California	99905	1.0915	1.1302	3.55
05060	Contra Costa County, California	36084	1.5346	1.5420	0.48
05070	Del Norte County, California	99905	1.0915	1.1302	3.55
05080	Eldorado County, California	40900	1.3056	1.3373	2.43
05090	Fresno County, California	23420	1.0483	1.0965	4.60
05100	Glenn County, California	99905	1.0915	1.1302	3.55
05110	Humboldt County, California	99905	1.0915	1.1302	3.55
05120	Imperial County, California	20940	0.9841	0.9092	-7.61
05130	Inyo County, California	99905	1.0915	1.1302	3.55
05140	Kern County, California	12540	1.0470	1.0605	1.29
05150	Kings County, California	25260	1.0406	1.0142	-2.54
05160	Lake County, California	99905	1.0915	1.1302	3.55
05170	Lassen County, California	99905	1.0915	1.1302	3.55
05200	Los Angeles County, California	31084	1.1783	1.1752	-0.26
05210	Los Angeles County, California	31084	1.1783	1.1752	-0.26
05300	Madera County, California	31460	0.9571	0.8169	-14.65
05310	Marin County, California	41884	1.4994	1.5071	0.51

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
05320	Mariposa County, California	99905	1.0915	1.1302	3.55
05330	Mendocino County, California	99905	1.0915	1.1302	3.55
05340	Merced County, California	32900	1.1109	1.1415	2.75
05350	Modoc County, California	99905	1.0915	1.1302	3.55
05360	Mono County, California	99905	1.0915	1.1302	3.55
05370	Monterey County, California	41500	1.4128	1.4459	2.34
05380	Napa County, California	34900	1.3313	1.3496	1.37
05390	Nevada County, California	99905	1.0915	1.1302	3.55
05400	Orange County, California	42044	1.1559	1.1294	-2.29
05410	Placer County, California	40900	1.3056	1.3373	2.43
05420	Plumas County, California	99905	1.0915	1.1302	3.55
05430	Riverside County, California	40140	1.1027	1.0934	-0.84
05440	Sacramento County, California	40900	1.3056	1.3373	2.43
05450	San Benito County, California	41940	1.2937	1.5293	18.21
05460	San Bernardino County, California	40140	1.1027	1.0934	-0.84
05470	San Diego County, California	41740	1.1413	1.1374	-0.34
05480	San Francisco County, California	41884	1.4994	1.5071	0.51
05490	San Joaquin County, California	44700	1.1307	1.1462	1.37
05500	San Luis Obispo County, California	42020	1.1349	1.1619	2.38
05510	San Mateo County, California	41884	1.4994	1.5071	0.51
05520	Santa Barbara County, California	42060	1.1694	1.1075	-5.29
05530	Santa Clara County, California	41940	1.5109	1.5293	1.22
05540	Santa Cruz County, California	42100	1.5166	1.5531	2.41
05550	Shasta County, California	39820	1.2203	1.3221	8.34
05560	Sierra County, California	99905	1.0915	1.1302	3.55
05570	Siskiyou County, California	99905	1.0915	1.1302	3.55
05580	Solano County, California	46700	1.4460	1.5164	4.87
05590	Sonoma County, California	42220	1.3493	1.4489	7.38
05600	Stanislaus County, California	33700	1.1885	1.1590	-2.48
05610	Sutter County, California	49700	1.0921	1.0749	-1.57
05620	Tehama County, California	99905	1.0915	1.1302	3.55
05630	Trinity County, California	99905	1.0915	1.1302	3.55
05640	Tulare County, California	47300	1.0123	0.9986	-1.35
05650	Tuolumne County, California	99905	1.0915	1.1302	3.55
05660	Ventura County, California	37100	1.1622	1.1591	-0.27
05670	Yolo County, California	40900	1.1460	1.3373	16.69
05680	Yuba County, California	49700	1.0921	1.0749	-1.57
06000	Adams County, Colorado	19740	1.0723	1.0947	2.09
06010	Alamosa County, Colorado	99906	0.9380	0.9342	-0.41
06020	Arapahoe County, Colorado	19740	1.0723	1.0947	2.09
06030	Archuleta County, Colorado	99906	0.9380	0.9342	-0.41
06040	Baca County, Colorado	99906	0.9380	0.9342	-0.41
06050	Bent County, Colorado	99906	0.9380	0.9342	-0.41
06060	Boulder County, Colorado	14500	0.9734	1.0368	6.51
06070	Chaffee County, Colorado	99906	0.9380	0.9342	-0.41
06080	Cheyenne County, Colorado	99906	0.9380	0.9342	-0.41
06090	Clear Creek County, Colorado	19740	1.0052	1.0947	8.90
06100	Conejos County, Colorado	99906	0.9380	0.9342	-0.41
06110	Costilla County, Colorado	99906	0.9380	0.9342	-0.41
06120	Crowley County, Colorado	99906	0.9380	0.9342	-0.41
06130	Custer County, Colorado	99906	0.9380	0.9342	-0.41
06140	Delta County, Colorado	99906	0.9380	0.9342	-0.41
06150	Denver County, Colorado	19740	1.0723	1.0947	2.09
06160	Dolores County, Colorado	99906	0.9380	0.9342	-0.41
06170	Douglas County, Colorado	19740	1.0723	1.0947	2.09
06180	Eagle County, Colorado	99906	0.9380	0.9342	-0.41
06190	Elbert County, Colorado	19740	1.0052	1.0947	8.90
06200	El Paso County, Colorado	17820	0.9468	0.9718	2.64
06210	Fremont County, Colorado	99906	0.9380	0.9342	-0.41
06220	Garfield County, Colorado	99906	0.9380	0.9342	-0.41
06230	Gilpin County, Colorado	19740	1.0052	1.0947	8.90
06240	Grand County, Colorado	99906	0.9380	0.9342	-0.41
06250	Gunnison County, Colorado	99906	0.9380	0.9342	-0.41
06260	Hinsdale County, Colorado	99906	0.9380	0.9342	-0.41
06270	Huerfano County, Colorado	99906	0.9380	0.9342	-0.41
06280	Jackson County, Colorado	99906	0.9380	0.9342	-0.41
06290	Jefferson County, Colorado	19740	1.0723	1.0947	2.09

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
06300	Kiowa County, Colorado	99906	0.9380	0.9342	-0.41
06310	Kit Carson County, Colorado	99906	0.9380	0.9342	-0.41
06320	Lake County, Colorado	99906	0.9380	0.9342	-0.41
06330	La Plata County, Colorado	99906	0.9380	0.9342	-0.41
06340	Larimer County, Colorado	22660	1.0122	0.9561	-5.54
06350	Las Animas County, Colorado	99906	0.9380	0.9342	-0.41
06360	Lincoln County, Colorado	99906	0.9380	0.9342	-0.41
06370	Logan County, Colorado	99906	0.9380	0.9342	-0.41
06380	Mesa County, Colorado	24300	0.9550	0.9685	1.41
06390	Mineral County, Colorado	99906	0.9380	0.9342	-0.41
06400	Moffat County, Colorado	99906	0.9380	0.9342	-0.41
06410	Montezuma County, Colorado	99906	0.9380	0.9342	-0.41
06420	Montrose County, Colorado	99906	0.9380	0.9342	-0.41
06430	Morgan County, Colorado	99906	0.9380	0.9342	-0.41
06440	Otero County, Colorado	99906	0.9380	0.9342	-0.41
06450	Ouray County, Colorado	99906	0.9380	0.9342	-0.41
06460	Park County, Colorado	19740	1.0052	1.0947	8.90
06470	Phillips County, Colorado	99906	0.9380	0.9342	-0.41
06480	Pitkin County, Colorado	99906	0.9380	0.9342	-0.41
06490	Prowers County, Colorado	99906	0.9380	0.9342	-0.41
06500	Pueblo County, Colorado	39380	0.8623	0.8552	-0.82
06510	Rio Blanco County, Colorado	99906	0.9380	0.9342	-0.41
06520	Rio Grande County, Colorado	99906	0.9380	0.9342	-0.41
06530	Routt County, Colorado	99906	0.9380	0.9342	-0.41
06540	Saguache County, Colorado	99906	0.9380	0.9342	-0.41
06550	San Juan County, Colorado	99906	0.9380	0.9342	-0.41
06560	San Miguel County, Colorado	99906	0.9380	0.9342	-0.41
06570	Sedgwick County, Colorado	99906	0.9380	0.9342	-0.41
06580	Summit County, Colorado	99906	0.9380	0.9342	-0.41
06590	Teller County, Colorado	17820	0.9424	0.9718	3.12
06600	Washington County, Colorado	99906	0.9380	0.9342	-0.41
06610	Weld County, Colorado	24540	0.9570	0.9619	0.51
06620	Yuma County, Colorado	99906	0.9380	0.9342	-0.41
06630	Broomfield County, Colorado	19740	1.0723	1.0947	2.09
07000	Fairfield County, Connecticut	14860	1.2394	1.2681	2.32
07010	Hartford County, Connecticut	25540	1.1073	1.0916	-1.42
07020	Litchfield County, Connecticut	25540	1.1073	1.0916	-1.42
07030	Middlesex County, Connecticut	25540	1.1073	1.0916	-1.42
07040	New Haven County, Connecticut	35300	1.2042	1.1974	-0.56
07050	New London County, Connecticut	35980	1.1345	1.1953	5.36
07060	Tolland County, Connecticut	25540	1.1073	1.0916	-1.42
07070	Windham County, Connecticut	99907	1.1730	1.1753	0.20
08000	Kent County, Delaware	20100	0.9776	0.9865	0.91
08010	New Castle County, Delaware	48864	1.0499	1.0703	1.94
08020	Sussex County, Delaware	99908	0.9579	0.9723	1.50
09000	Washington Dc County, Dist Of Col	47894	1.0951	1.1074	1.12
10000	Alachua County, Florida	23540	0.9388	0.9312	-0.81
10010	Baker County, Florida	27260	0.8984	0.9042	0.65
10020	Bay County, Florida	37460	0.8005	0.8087	1.02
10030	Bradford County, Florida	99910	0.8623	0.8595	-0.32
10040	Brevard County, Florida	37340	0.9839	0.9448	-3.97
10050	Broward County, Florida	22744	1.0432	1.0151	-2.69
10060	Calhoun County, Florida	99910	0.8623	0.8595	-0.32
10070	Charlotte County, Florida	39460	0.9255	0.9421	1.79
10080	Citrus County, Florida	99910	0.8623	0.8595	-0.32
10090	Clay County, Florida	27260	0.9295	0.9042	-2.72
10100	Collier County, Florida	34940	1.0139	0.9959	-1.78
10110	Columbia County, Florida	99910	0.8623	0.8595	-0.32
10120	Dade County, Florida	33124	0.9750	0.9830	0.82
10130	De Soto County, Florida	99910	0.8623	0.8595	-0.32
10140	Dixie County, Florida	99910	0.8623	0.8595	-0.32
10150	Duval County, Florida	27260	0.9295	0.9042	-2.72
10160	Escambia County, Florida	37860	0.8096	0.8014	-1.01
10170	Flagler County, Florida	99910	0.8947	0.8595	-3.93
10180	Franklin County, Florida	99910	0.8623	0.8595	-0.32
10190	Gadsden County, Florida	45220	0.8688	0.9299	7.03
10200	Gilchrist County, Florida	23540	0.9033	0.9312	3.09

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
10210	Glades County, Florida	99910	0.8623	0.8595	-0.32
10220	Gulf County, Florida	99910	0.8623	0.8595	-0.32
10230	Hamilton County, Florida	99910	0.8623	0.8595	-0.32
10240	Hardee County, Florida	99910	0.8623	0.8595	-0.32
10250	Hendry County, Florida	99910	0.8623	0.8595	-0.32
10260	Hernando County, Florida	45300	0.9233	0.9160	-0.79
10270	Highlands County, Florida	99910	0.8623	0.8595	-0.32
10280	Hillsborough County, Florida	45300	0.9233	0.9160	-0.79
10290	Holmes County, Florida	99910	0.8623	0.8595	-0.32
10300	Indian River County, Florida	42680	0.9056	0.9590	5.90
10310	Jackson County, Florida	99910	0.8623	0.8595	-0.32
10320	Jefferson County, Florida	45220	0.8683	0.9299	7.09
10330	Lafayette County, Florida	99910	0.8623	0.8595	-0.32
10340	Lake County, Florida	36740	0.9464	0.9422	-0.44
10350	Lee County, Florida	15980	0.9356	0.9359	0.03
10360	Leon County, Florida	45220	0.8688	0.9299	7.03
10370	Levy County, Florida	99910	0.8623	0.8595	-0.32
10380	Liberty County, Florida	99910	0.8623	0.8595	-0.32
10390	Madison County, Florida	99910	0.8623	0.8595	-0.32
10400	Manatee County, Florida	42260	0.9639	0.9885	2.55
10410	Marion County, Florida	36100	0.8925	0.8883	-0.47
10420	Martin County, Florida	38940	1.0123	0.9851	-2.69
10430	Monroe County, Florida	99910	0.8623	0.8595	-0.32
10440	Nassau County, Florida	27260	0.9295	0.9042	-2.72
10450	Okaloosa County, Florida	23020	0.8872	0.8658	-2.41
10460	Okeechobee County, Florida	99910	0.8623	0.8595	-0.32
10470	Orange County, Florida	36740	0.9464	0.9422	-0.44
10480	Osceola County, Florida	36740	0.9464	0.9422	-0.44
10490	Palm Beach County, Florida	48424	1.0067	0.9657	-4.07
10500	Pasco County, Florida	45300	0.9233	0.9160	-0.79
10510	Pinellas County, Florida	45300	0.9233	0.9160	-0.79
10520	Polk County, Florida	29460	0.8912	0.8895	-0.19
10530	Putnam County, Florida	99910	0.8623	0.8595	-0.32
10540	Johns County, Florida	27260	0.9295	0.9042	-2.72
10550	St Lucie County, Florida	38940	1.0123	0.9851	-2.69
10560	Santa Rosa County, Florida	37860	0.8096	0.8014	-1.01
10570	Sarasota County, Florida	42260	0.9639	0.9885	2.55
10580	Seminole County, Florida	36740	0.9464	0.9422	-0.44
10590	Sumter County, Florida	99910	0.8623	0.8595	-0.32
10600	Suwannee County, Florida	99910	0.8623	0.8595	-0.32
10610	Taylor County, Florida	99910	0.8623	0.8595	-0.32
10620	Union County, Florida	99910	0.8623	0.8595	-0.32
10630	Volusia County, Florida	19660	0.9312	0.9280	-0.34
10640	Wakulla County, Florida	45220	0.8683	0.9299	7.09
10650	Walton County, Florida	99910	0.8623	0.8595	-0.32
10660	Washington County, Florida	99910	0.8623	0.8595	-0.32
11000	Appling County, Georgia	99911	0.7914	0.7560	-4.47
11010	Atkinson County, Georgia	99911	0.7914	0.7560	-4.47
11011	Bacon County, Georgia	99911	0.7914	0.7560	-4.47
11020	Baker County, Georgia	10500	0.8397	0.8962	6.73
11030	Baldwin County, Georgia	99911	0.7914	0.7560	-4.47
11040	Banks County, Georgia	99911	0.7914	0.7560	-4.47
11050	Barrow County, Georgia	12060	0.9793	0.9772	-0.21
11060	Bartow County, Georgia	12060	0.9793	0.9772	-0.21
11070	Ben Hill County, Georgia	99911	0.7914	0.7560	-4.47
11080	Berrien County, Georgia	99911	0.7914	0.7560	-4.47
11090	Bibb County, Georgia	31420	0.9360	0.9518	1.69
11100	Bleckley County, Georgia	99911	0.7914	0.7560	-4.47
11110	Brantley County, Georgia	15260	0.8739	1.0097	15.54
11120	Brooks County, Georgia	46660	0.8516	0.8344	-2.02
11130	Bryan County, Georgia	42340	0.9461	0.9087	-3.95
11140	Bulloch County, Georgia	99911	0.7914	0.7560	-4.47
11150	Burke County, Georgia	12260	0.8957	0.9678	8.05
11160	Butts County, Georgia	12060	0.8980	0.9772	8.82
11161	Calhoun County, Georgia	99911	0.7914	0.7560	-4.47
11170	Camden County, Georgia	99911	0.7914	0.7560	-4.47
11180	Candler County, Georgia	99911	0.7914	0.7560	-4.47

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
11190	Carroll County, Georgia	12060	0.9793	0.9772	-0.21
11200	Catoosa County, Georgia	16860	0.9088	0.8963	-1.38
11210	Charlton County, Georgia	99911	0.7914	0.7560	-4.47
11220	Chatham County, Georgia	42340	0.9461	0.9087	-3.95
11230	Chattahoochee County, Georgia	17980	0.8560	0.8254	-3.57
11240	Chattooga County, Georgia	99911	0.7914	0.7560	-4.47
11250	Cherokee County, Georgia	12060	0.9793	0.9772	-0.21
11260	Clarke County, Georgia	12020	0.9855	0.9857	0.02
11270	Clay County, Georgia	99911	0.7914	0.7560	-4.47
11280	Clayton County, Georgia	12060	0.9793	0.9772	-0.21
11281	Clinch County, Georgia	99911	0.7914	0.7560	-4.47
11290	Cobb County, Georgia	12060	0.9793	0.9772	-0.21
11291	Coffee County, Georgia	99911	0.7914	0.7560	-4.47
11300	Colquitt County, Georgia	99911	0.7914	0.7560	-4.47
11310	Columbia County, Georgia	12260	0.9778	0.9678	-1.02
11311	Cook County, Georgia	99911	0.7914	0.7560	-4.47
11320	Coweta County, Georgia	12060	0.9793	0.9772	-0.21
11330	Crawford County, Georgia	31420	0.8805	0.9518	8.10
11340	Crisp County, Georgia	99911	0.7914	0.7560	-4.47
11341	Dade County, Georgia	16860	0.9088	0.8963	-1.38
11350	Dawson County, Georgia	12060	0.8980	0.9772	8.82
11360	Decatur County, Georgia	99911	0.7914	0.7560	-4.47
11370	De Kalb County, Georgia	12060	0.9793	0.9772	-0.21
11380	Dodge County, Georgia	99911	0.7914	0.7560	-4.47
11381	Dooly County, Georgia	99911	0.7914	0.7560	-4.47
11390	Dougherty County, Georgia	10500	0.8628	0.8962	3.87
11400	Douglas County, Georgia	12060	0.9793	0.9772	-0.21
11410	Early County, Georgia	99911	0.7914	0.7560	-4.47
11420	Echols County, Georgia	46660	0.8516	0.8344	-2.02
11421	Effingham County, Georgia	42340	0.9461	0.9087	-3.95
11430	Elbert County, Georgia	99911	0.7914	0.7560	-4.47
11440	Emanuel County, Georgia	99911	0.7914	0.7560	-4.47
11441	Evans County, Georgia	99911	0.7914	0.7560	-4.47
11450	Fannin County, Georgia	99911	0.7914	0.7560	-4.47
11451	Fayette County, Georgia	12060	0.9793	0.9772	-0.21
11460	Floyd County, Georgia	40660	0.8790	0.9316	5.98
11461	Forsyth County, Georgia	12060	0.9793	0.9772	-0.21
11462	Franklin County, Georgia	99911	0.7914	0.7560	-4.47
11470	Fulton County, Georgia	12060	0.9793	0.9772	-0.21
11471	Gilmer County, Georgia	99911	0.7914	0.7560	-4.47
11480	Glascok County, Georgia	99911	0.7914	0.7560	-4.47
11490	Glynn County, Georgia	15260	0.8739	1.0097	15.54
11500	Gordon County, Georgia	99911	0.7914	0.7560	-4.47
11510	Grady County, Georgia	99911	0.7914	0.7560	-4.47
11520	Greene County, Georgia	99911	0.7914	0.7560	-4.47
11530	Gwinnett County, Georgia	12060	0.9793	0.9772	-0.21
11540	Habersham County, Georgia	99911	0.7914	0.7560	-4.47
11550	Hall County, Georgia	23580	0.8520	0.8974	5.33
11560	Hancock County, Georgia	99911	0.7914	0.7560	-4.47
11570	Haralson County, Georgia	12060	0.8980	0.9772	8.82
11580	Harris County, Georgia	17980	0.8560	0.8254	-3.57
11581	Hart County, Georgia	99911	0.7914	0.7560	-4.47
11590	Heard County, Georgia	12060	0.8980	0.9772	8.82
11591	Henry County, Georgia	12060	0.9793	0.9772	-0.21
11600	Houston County, Georgia	47580	0.8961	0.8394	-6.33
11601	Irwin County, Georgia	99911	0.7914	0.7560	-4.47
11610	Jackson County, Georgia	99911	0.7914	0.7560	-4.47
11611	Jasper County, Georgia	12060	0.8980	0.9772	8.82
11612	Jeff Davis County, Georgia	99911	0.7914	0.7560	-4.47
11620	Jefferson County, Georgia	99911	0.7914	0.7560	-4.47
11630	Jenkins County, Georgia	99911	0.7914	0.7560	-4.47
11640	Johnson County, Georgia	99911	0.7914	0.7560	-4.47
11650	Jones County, Georgia	31420	0.9360	0.9518	1.69
11651	Lamar County, Georgia	12060	0.8980	0.9772	8.82
11652	Lanier County, Georgia	46660	0.8516	0.8344	-2.02
11660	Laurens County, Georgia	99911	0.7914	0.7560	-4.47
11670	Lee County, Georgia	10500	0.8628	0.8962	3.87

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
11680	Liberty County, Georgia	25980	0.8973	0.9163	2.12
11690	Lincoln County, Georgia	99911	0.7914	0.7560	-4.47
11691	Long County, Georgia	25980	0.8973	0.9163	2.12
11700	Lowndes County, Georgia	46660	0.8516	0.8344	-2.02
11701	Lumpkin County, Georgia	99911	0.7914	0.7560	-4.47
11702	Mc Duffie County, Georgia	12260	0.9778	0.9678	-1.02
11703	Mc Intosh County, Georgia	15260	0.8739	1.0097	15.54
11710	Macon County, Georgia	99911	0.7914	0.7560	-4.47
11720	Madison County, Georgia	12020	0.9855	0.9857	0.02
11730	Marion County, Georgia	17980	0.8363	0.8254	-1.30
11740	Meriwether County, Georgia	12060	0.8980	0.9772	8.82
11741	Miller County, Georgia	99911	0.7914	0.7560	-4.47
11750	Mitchell County, Georgia	99911	0.7914	0.7560	-4.47
11760	Monroe County, Georgia	31420	0.8805	0.9518	8.10
11770	Montgomery County, Georgia	99911	0.7914	0.7560	-4.47
11771	Morgan County, Georgia	99911	0.7914	0.7560	-4.47
11772	Murray County, Georgia	19140	0.8623	0.9061	5.08
11780	Muscogee County, Georgia	17980	0.8560	0.8254	-3.57
11790	Newton County, Georgia	12060	0.9793	0.9772	-0.21
11800	Oconee County, Georgia	12020	0.9855	0.9857	0.02
11801	Oglethorpe County, Georgia	12020	0.9011	0.9857	9.39
11810	Paulding County, Georgia	12060	0.9793	0.9772	-0.21
11811	Peach County, Georgia	99911	0.8470	0.7560	-10.74
11812	Pickens County, Georgia	12060	0.9793	0.9772	-0.21
11820	Pierce County, Georgia	99911	0.7914	0.7560	-4.47
11821	Pike County, Georgia	12060	0.8980	0.9772	8.82
11830	Polk County, Georgia	99911	0.7914	0.7560	-4.47
11831	Pulaski County, Georgia	99911	0.7914	0.7560	-4.47
11832	Putnam County, Georgia	99911	0.7914	0.7560	-4.47
11833	Quitman County, Georgia	99911	0.7914	0.7560	-4.47
11834	Rabun County, Georgia	99911	0.7914	0.7560	-4.47
11835	Randolph County, Georgia	99911	0.7914	0.7560	-4.47
11840	Richmond County, Georgia	12260	0.9778	0.9678	-1.02
11841	Rockdale County, Georgia	12060	0.9793	0.9772	-0.21
11842	Schley County, Georgia	99911	0.7914	0.7560	-4.47
11850	Screven County, Georgia	99911	0.7914	0.7560	-4.47
11851	Seminole County, Georgia	99911	0.7914	0.7560	-4.47
11860	Spalding County, Georgia	12060	0.9793	0.9772	-0.21
11861	Stephens County, Georgia	99911	0.7914	0.7560	-4.47
11862	Stewart County, Georgia	99911	0.7914	0.7560	-4.47
11870	Sumter County, Georgia	99911	0.7914	0.7560	-4.47
11880	Talbot County, Georgia	99911	0.7914	0.7560	-4.47
11881	Taliaferro County, Georgia	99911	0.7914	0.7560	-4.47
11882	Tattnall County, Georgia	99911	0.7914	0.7560	-4.47
11883	Taylor County, Georgia	99911	0.7914	0.7560	-4.47
11884	Telfair County, Georgia	99911	0.7914	0.7560	-4.47
11885	Terrell County, Georgia	10500	0.8397	0.8962	6.73
11890	Thomas County, Georgia	99911	0.7914	0.7560	-4.47
11900	Tift County, Georgia	99911	0.7914	0.7560	-4.47
11901	Toombs County, Georgia	99911	0.7914	0.7560	-4.47
11902	Towns County, Georgia	99911	0.7914	0.7560	-4.47
11903	Treutlen County, Georgia	99911	0.7914	0.7560	-4.47
11910	Troup County, Georgia	99911	0.7914	0.7560	-4.47
11911	Turner County, Georgia	99911	0.7914	0.7560	-4.47
11912	Twiggs County, Georgia	31420	0.9360	0.9518	1.69
11913	Union County, Georgia	99911	0.7914	0.7560	-4.47
11920	Upson County, Georgia	99911	0.7914	0.7560	-4.47
11921	Walker County, Georgia	16860	0.9088	0.8963	-1.38
11930	Walton County, Georgia	12060	0.9793	0.9772	-0.21
11940	Ware County, Georgia	99911	0.7914	0.7560	-4.47
11941	Warren County, Georgia	99911	0.7914	0.7560	-4.47
11950	Washington County, Georgia	99911	0.7914	0.7560	-4.47
11960	Wayne County, Georgia	99911	0.7914	0.7560	-4.47
11961	Webster County, Georgia	99911	0.7914	0.7560	-4.47
11962	Wheeler County, Georgia	99911	0.7914	0.7560	-4.47
11963	White County, Georgia	99911	0.7914	0.7560	-4.47
11970	Whitfield County, Georgia	19140	0.8623	0.9061	5.08

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-
RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
11971	Wilcox County, Georgia	99911	0.7914	0.7560	-4.47
11972	Wilkes County, Georgia	99911	0.7914	0.7560	-4.47
11973	Wilkinson County, Georgia	99911	0.7914	0.7560	-4.47
11980	Worth County, Georgia	10500	0.8397	0.8962	6.73
12005	Kalawao County, Hawaii	99912	1.0551	1.0467	-0.80
12010	Hawaii County, Hawaii	99912	1.0551	1.0467	-0.80
12020	Honolulu County, Hawaii	26180	1.1214	1.1067	-1.31
12040	Kauai County, Hawaii	99912	1.0551	1.0467	-0.80
12050	Mauai County, Hawaii	99912	1.0551	1.0467	-0.80
13000	Ada County, Idaho	14260	0.9052	0.9417	4.03
13010	Adams County, Idaho	99913	0.8567	0.8134	-5.05
13020	Bannock County, Idaho	38540	0.9351	0.9417	0.71
13030	Bear Lake County, Idaho	99913	0.8567	0.8134	-5.05
13040	Benewah County, Idaho	99913	0.8567	0.8134	-5.05
13050	Bingham County, Idaho	99913	0.8567	0.8134	-5.05
13060	Blaine County, Idaho	99913	0.8567	0.8134	-5.05
13070	Boise County, Idaho	14260	0.9075	0.9417	3.77
13080	Bonner County, Idaho	99913	0.8567	0.8134	-5.05
13090	Bonneville County, Idaho	26820	0.9259	0.9104	-1.67
13100	Boundary County, Idaho	99913	0.8567	0.8134	-5.05
13110	Butte County, Idaho	99913	0.8567	0.8134	-5.05
13120	Camas County, Idaho	99913	0.8567	0.8134	-5.05
13130	Canyon County, Idaho	14260	0.9052	0.9417	4.03
13140	Caribou County, Idaho	99913	0.8567	0.8134	-5.05
13150	Cassia County, Idaho	99913	0.8567	0.8134	-5.05
13160	Clark County, Idaho	99913	0.8567	0.8134	-5.05
13170	Clearwater County, Idaho	99913	0.8567	0.8134	-5.05
13180	Custer County, Idaho	99913	0.8567	0.8134	-5.05
13190	Elmore County, Idaho	99913	0.8567	0.8134	-5.05
13200	Franklin County, Idaho	30860	0.9131	0.9038	-1.02
13210	Fremont County, Idaho	99913	0.8567	0.8134	-5.05
13220	Gem County, Idaho	14260	0.9075	0.9417	3.77
13230	Gooding County, Idaho	99913	0.8567	0.8134	-5.05
13240	Idaho County, Idaho	99913	0.8567	0.8134	-5.05
13250	Jefferson County, Idaho	26820	0.9259	0.9104	-1.67
13260	Jerome County, Idaho	99913	0.8567	0.8134	-5.05
13270	Kootenai County, Idaho	17660	0.9372	0.9360	-0.13
13280	Latah County, Idaho	99913	0.8567	0.8134	-5.05
13290	Lemhi County, Idaho	99913	0.8567	0.8134	-5.05
13300	Lewis County, Idaho	99913	0.8567	0.8134	-5.05
13310	Lincoln County, Idaho	99913	0.8567	0.8134	-5.05
13320	Madison County, Idaho	99913	0.8567	0.8134	-5.05
13330	Minidoka County, Idaho	99913	0.8567	0.8134	-5.05
13340	Nez Perce County, Idaho	30300	0.9492	0.9871	3.99
13350	Oneida County, Idaho	99913	0.8567	0.8134	-5.05
13360	Owyhee County, Idaho	14260	0.9075	0.9417	3.77
13370	Payette County, Idaho	99913	0.8567	0.8134	-5.05
13380	Power County, Idaho	38540	0.9224	0.9417	2.09
13390	Shoshone County, Idaho	99913	0.8567	0.8134	-5.05
13400	Teton County, Idaho	99913	0.8567	0.8134	-5.05
13410	Twin Falls County, Idaho	99913	0.8567	0.8134	-5.05
13420	Valley County, Idaho	99913	0.8567	0.8134	-5.05
13430	Washington County, Idaho	99913	0.8567	0.8134	-5.05
14000	Adams County, Illinois	99914	0.8286	0.8327	0.49
14010	Alexander County, Illinois	99914	0.8286	0.8327	0.49
14020	Bond County, Illinois	41180	0.8628	0.9013	4.46
14030	Boone County, Illinois	40420	0.9984	1.0007	0.23
14040	Brown County, Illinois	99914	0.8286	0.8327	0.49
14050	Bureau County, Illinois	99914	0.8286	0.8327	0.49
14060	Calhoun County, Illinois	41180	0.8628	0.9013	4.46
14070	Carroll County, Illinois	99914	0.8286	0.8327	0.49
14080	Cass County, Illinois	99914	0.8286	0.8327	0.49
14090	Champaign County, Illinois	16580	0.9594	0.9661	0.70
14100	Christian County, Illinois	99914	0.8286	0.8327	0.49
14110	Clark County, Illinois	99914	0.8286	0.8327	0.49
14120	Clay County, Illinois	99914	0.8286	0.8327	0.49
14130	Clinton County, Illinois	41180	0.8958	0.9013	0.61

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
14140	Coles County, Illinois	99914	0.8286	0.8327	0.49
14141	Cook County, Illinois	16974	1.0787	1.0745	-0.39
14150	Crawford County, Illinois	99914	0.8286	0.8327	0.49
14160	Cumberland County, Illinois	99914	0.8286	0.8327	0.49
14170	De Kalb County, Illinois	16974	1.0787	1.0745	-0.39
14180	De Witt County, Illinois	99914	0.8286	0.8327	0.49
14190	Douglas County, Illinois	99914	0.8286	0.8327	0.49
14250	Du Page County, Illinois	16974	1.0787	1.0745	-0.39
14310	Edgar County, Illinois	99914	0.8286	0.8327	0.49
14320	Edwards County, Illinois	99914	0.8286	0.8327	0.49
14330	Effingham County, Illinois	99914	0.8286	0.8327	0.49
14340	Fayette County, Illinois	99914	0.8286	0.8327	0.49
14350	Ford County, Illinois	16580	0.8948	0.9661	7.97
14360	Franklin County, Illinois	99914	0.8286	0.8327	0.49
14370	Fulton County, Illinois	99914	0.8286	0.8327	0.49
14380	Gallatin County, Illinois	99914	0.8286	0.8327	0.49
14390	Greene County, Illinois	99914	0.8286	0.8327	0.49
14400	Grundy County, Illinois	16974	1.0787	1.0745	-0.39
14410	Hamilton County, Illinois	99914	0.8286	0.8327	0.49
14420	Hancock County, Illinois	99914	0.8286	0.8327	0.49
14421	Hardin County, Illinois	99914	0.8286	0.8327	0.49
14440	Henderson County, Illinois	99914	0.8286	0.8327	0.49
14450	Henry County, Illinois	19340	0.8724	0.8557	-1.91
14460	Iroquois County, Illinois	99914	0.8286	0.8327	0.49
14470	Jackson County, Illinois	99914	0.8286	0.8327	0.49
14480	Jasper County, Illinois	99914	0.8286	0.8327	0.49
14490	Jefferson County, Illinois	99914	0.8286	0.8327	0.49
14500	Jersey County, Illinois	41180	0.8958	0.9013	0.61
14510	Jo Daviess County, Illinois	99914	0.8286	0.8327	0.49
14520	Johnson County, Illinois	99914	0.8286	0.8327	0.49
14530	Kane County, Illinois	16974	1.0787	1.0745	-0.39
14540	Kankakee County, Illinois	28100	1.0721	0.9990	-6.82
14550	Kendall County, Illinois	16974	1.0787	1.0745	-0.39
14560	Knox County, Illinois	99914	0.8286	0.8327	0.49
14570	Lake County, Illinois	29404	1.0606	1.0406	-1.89
14580	La Salle County, Illinois	99914	0.8286	0.8327	0.49
14590	Lawrence County, Illinois	99914	0.8286	0.8327	0.49
14600	Lee County, Illinois	99914	0.8286	0.8327	0.49
14610	Livingston County, Illinois	99914	0.8286	0.8327	0.49
14620	Logan County, Illinois	99914	0.8286	0.8327	0.49
14630	Mc Donough County, Illinois	99914	0.8286	0.8327	0.49
14640	Mc Henry County, Illinois	16974	1.0787	1.0745	-0.39
14650	McLean County, Illinois	14060	0.9075	0.8960	-1.27
14660	Macon County, Illinois	19500	0.8067	0.8187	1.49
14670	Macoupin County, Illinois	41180	0.8628	0.9013	4.46
14680	Madison County, Illinois	41180	0.8958	0.9013	0.61
14690	Marion County, Illinois	99914	0.8286	0.8327	0.49
14700	Marshall County, Illinois	37900	0.8586	0.8998	4.80
14710	Mason County, Illinois	99914	0.8286	0.8327	0.49
14720	Massac County, Illinois	99914	0.8286	0.8327	0.49
14730	Menard County, Illinois	44100	0.8792	0.8905	1.29
14740	Mercer County, Illinois	19340	0.8513	0.8557	0.52
14750	Monroe County, Illinois	41180	0.8958	0.9013	0.61
14760	Montgomery County, Illinois	99914	0.8286	0.8327	0.49
14770	Morgan County, Illinois	99914	0.8286	0.8327	0.49
14780	Moultrie County, Illinois	99914	0.8286	0.8327	0.49
14790	Ogle County, Illinois	99914	0.9128	0.8327	-8.78
14800	Peoria County, Illinois	37900	0.8870	0.8998	1.44
14810	Perry County, Illinois	99914	0.8286	0.8327	0.49
14820	Piatt County, Illinois	16580	0.8948	0.9661	7.97
14830	Pike County, Illinois	99914	0.8286	0.8327	0.49
14831	Pope County, Illinois	99914	0.8286	0.8327	0.49
14850	Pulaski County, Illinois	99914	0.8286	0.8327	0.49
14860	Putnam County, Illinois	99914	0.8286	0.8327	0.49
14870	Randolph County, Illinois	99914	0.8286	0.8327	0.49
14880	Richland County, Illinois	99914	0.8286	0.8327	0.49
14890	Rock Island County, Illinois	19340	0.8724	0.8557	-1.91

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
14900	St Clair County, Illinois	41180	0.8958	0.9013	0.61
14910	Saline County, Illinois	99914	0.8286	0.8327	0.49
14920	Sangamon County, Illinois	44100	0.8792	0.8905	1.29
14921	Schuyler County, Illinois	99914	0.8286	0.8327	0.49
14940	Scott County, Illinois	99914	0.8286	0.8327	0.49
14950	Shelby County, Illinois	99914	0.8286	0.8327	0.49
14960	Stark County, Illinois	37900	0.8586	0.8998	4.80
14970	Stephenson County, Illinois	99914	0.8286	0.8327	0.49
14980	Tazewell County, Illinois	37900	0.8870	0.8998	1.44
14981	Union County, Illinois	99914	0.8286	0.8327	0.49
14982	Vermilion County, Illinois	19180	0.8665	0.9283	7.13
14983	Wabash County, Illinois	99914	0.8286	0.8327	0.49
14984	Warren County, Illinois	99914	0.8286	0.8327	0.49
14985	Washington County, Illinois	99914	0.8286	0.8327	0.49
14986	Wayne County, Illinois	99914	0.8286	0.8327	0.49
14987	White County, Illinois	99914	0.8286	0.8327	0.49
14988	Whiteside County, Illinois	99914	0.8286	0.8327	0.49
14989	Will County, Illinois	16974	1.0787	1.0745	-0.39
14990	Williamson County, Illinois	99914	0.8286	0.8327	0.49
14991	Winnebago County, Illinois	40420	0.9984	1.0007	0.23
14992	Woodford County, Illinois	37900	0.8870	0.8998	1.44
15000	Adams County, Indiana	99915	0.9165	0.8477	-7.51
15010	Allen County, Indiana	23060	0.9750	0.9504	-2.52
15020	Bartholomew County, Indiana	18020	0.9164	0.9334	1.86
15030	Benton County, Indiana	29140	0.8738	0.8972	2.68
15040	Blackford County, Indiana	99915	0.8682	0.8477	-2.36
15050	Boone County, Indiana	26900	0.9893	0.9766	-1.28
15060	Brown County, Indiana	26900	0.9330	0.9766	4.67
15070	Carroll County, Indiana	29140	0.8738	0.8972	2.68
15080	Cass County, Indiana	99915	0.8682	0.8477	-2.36
15090	Clark County, Indiana	31140	0.9272	0.9135	-1.48
15100	Clay County, Indiana	45460	0.8321	0.8661	4.09
15110	Clinton County, Indiana	99915	0.8680	0.8477	-2.34
15120	Crawford County, Indiana	99915	0.8682	0.8477	-2.36
15130	Daviess County, Indiana	99915	0.8682	0.8477	-2.36
15140	Dearborn County, Indiana	17140	0.9675	0.9617	-0.60
15150	Decatur County, Indiana	99915	0.8682	0.8477	-2.36
15160	De Kalb County, Indiana	99915	0.9165	0.8477	-7.51
15170	Delaware County, Indiana	34620	0.8930	0.8299	-7.07
15180	Dubois County, Indiana	99915	0.8682	0.8477	-2.36
15190	Elkhart County, Indiana	21140	0.9627	0.9442	-1.92
15200	Fayette County, Indiana	99915	0.8682	0.8477	-2.36
15210	Floyd County, Indiana	31140	0.9272	0.9135	-1.48
15220	Fountain County, Indiana	99915	0.8682	0.8477	-2.36
15230	Franklin County, Indiana	17140	0.9177	0.9617	4.79
15240	Fulton County, Indiana	99915	0.8682	0.8477	-2.36
15250	Gibson County, Indiana	21780	0.8726	0.8830	1.19
15260	Grant County, Indiana	99915	0.8682	0.8477	-2.36
15270	Greene County, Indiana	14020	0.8593	0.8548	-0.52
15280	Hamilton County, Indiana	26900	0.9893	0.9766	-1.28
15290	Hancock County, Indiana	26900	0.9893	0.9766	-1.28
15300	Harrison County, Indiana	31140	0.9272	0.9135	-1.48
15310	Hendricks County, Indiana	26900	0.9893	0.9766	-1.28
15320	Henry County, Indiana	99915	0.8682	0.8477	-2.36
15330	Howard County, Indiana	29020	0.9508	0.9460	-0.50
15340	Huntington County, Indiana	99915	0.9165	0.8477	-7.51
15350	Jackson County, Indiana	99915	0.8682	0.8477	-2.36
15360	Jasper County, Indiana	23844	0.9067	0.9281	2.36
15370	Jay County, Indiana	99915	0.8682	0.8477	-2.36
15380	Jefferson County, Indiana	99915	0.8682	0.8477	-2.36
15390	Jennings County, Indiana	99915	0.8682	0.8477	-2.36
15400	Johnson County, Indiana	26900	0.9893	0.9766	-1.28
15410	Knox County, Indiana	99915	0.8682	0.8477	-2.36
15420	Kosciusko County, Indiana	99915	0.8682	0.8477	-2.36
15430	Lagrange County, Indiana	99915	0.8682	0.8477	-2.36
15440	Lake County, Indiana	23844	0.9395	0.9281	-1.21
15450	La Porte County, Indiana	33140	0.9069	0.9093	0.26

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
15460	Lawrence County, Indiana	99915	0.8682	0.8477	-2.36
15470	Madison County, Indiana	11300	0.9226	0.8790	-4.73
15480	Marion County, Indiana	26900	0.9893	0.9766	-1.28
15490	Marshall County, Indiana	99915	0.8682	0.8477	-2.36
15500	Martin County, Indiana	99915	0.8682	0.8477	-2.36
15510	Miami County, Indiana	99915	0.8682	0.8477	-2.36
15520	Monroe County, Indiana	14020	0.8447	0.8548	1.20
15530	Montgomery County, Indiana	99915	0.8682	0.8477	-2.36
15540	Morgan County, Indiana	26900	0.9893	0.9766	-1.28
15550	Newton County, Indiana	23844	0.9067	0.9281	2.36
15560	Noble County, Indiana	99915	0.8682	0.8477	-2.36
15570	Ohio County, Indiana	17140	0.9675	0.9617	-0.60
15580	Orange County, Indiana	99915	0.8682	0.8477	-2.36
15590	Owen County, Indiana	14020	0.8593	0.8548	-0.52
15600	Parke County, Indiana	99915	0.8682	0.8477	-2.36
15610	Perry County, Indiana	99915	0.8682	0.8477	-2.36
15620	Pike County, Indiana	99915	0.8682	0.8477	-2.36
15630	Porter County, Indiana	23844	0.9395	0.9281	-1.21
15640	Posey County, Indiana	21780	0.8713	0.8830	1.34
15650	Pulaski County, Indiana	99915	0.8682	0.8477	-2.36
15660	Putnam County, Indiana	26900	0.9330	0.9766	4.67
15670	Randolph County, Indiana	99915	0.8682	0.8477	-2.36
15680	Ripley County, Indiana	99915	0.8682	0.8477	-2.36
15690	Rush County, Indiana	99915	0.8682	0.8477	-2.36
15700	St Joseph County, Indiana	43780	0.9788	0.9690	-1.00
15710	Scott County, Indiana	99915	0.8959	0.8477	-5.38
15720	Shelby County, Indiana	26900	0.9893	0.9766	-1.28
15730	Spencer County, Indiana	99915	0.8682	0.8477	-2.36
15740	Starke County, Indiana	99915	0.8682	0.8477	-2.36
15750	Steuben County, Indiana	99915	0.8682	0.8477	-2.36
15760	Sullivan County, Indiana	45460	0.8522	0.8661	1.63
15770	Switzerland County, Indiana	99915	0.8682	0.8477	-2.36
15780	Tippecanoe County, Indiana	29140	0.8736	0.8972	2.70
15790	Tipton County, Indiana	29020	0.9508	0.9460	-0.50
15800	Union County, Indiana	99915	0.8682	0.8477	-2.36
15810	Vanderburgh County, Indiana	21780	0.8713	0.8830	1.34
15820	Vermillion County, Indiana	45460	0.8321	0.8661	4.09
15830	Vigo County, Indiana	45460	0.8321	0.8661	4.09
15840	Wabash County, Indiana	99915	0.8682	0.8477	-2.36
15850	Warren County, Indiana	99915	0.8682	0.8477	-2.36
15860	Warrick County, Indiana	21780	0.8713	0.8830	1.34
15870	Washington County, Indiana	31140	0.8995	0.9135	1.56
15880	Wayne County, Indiana	99915	0.8682	0.8477	-2.36
15890	Wells County, Indiana	23060	0.9750	0.9504	-2.52
15900	White County, Indiana	99915	0.8682	0.8477	-2.36
15910	Whitley County, Indiana	23060	0.9750	0.9504	-2.52
16000	Adair County, Iowa	99916	0.8552	0.8697	1.70
16010	Adams County, Iowa	99916	0.8552	0.8697	1.70
16020	Allamakee County, Iowa	99916	0.8552	0.8697	1.70
16030	Appanoose County, Iowa	99916	0.8552	0.8697	1.70
16040	Audubon County, Iowa	99916	0.8552	0.8697	1.70
16050	Benton County, Iowa	16300	0.8710	0.8903	2.22
16060	Black Hawk County, Iowa	47940	0.8557	0.8422	-1.58
16070	Boone County, Iowa	99916	0.8552	0.8697	1.70
16080	Bremer County, Iowa	47940	0.8576	0.8422	-1.80
16090	Buchanan County, Iowa	99916	0.8552	0.8697	1.70
16100	Buena Vista County, Iowa	99916	0.8552	0.8697	1.70
16110	Butler County, Iowa	99916	0.8552	0.8697	1.70
16120	Calhoun County, Iowa	99916	0.8552	0.8697	1.70
16130	Carroll County, Iowa	99916	0.8552	0.8697	1.70
16140	Cass County, Iowa	99916	0.8552	0.8697	1.70
16150	Cedar County, Iowa	99916	0.8552	0.8697	1.70
16160	Cerro Gordo County, Iowa	99916	0.8552	0.8697	1.70
16170	Cherokee County, Iowa	99916	0.8552	0.8697	1.70
16180	Chickasaw County, Iowa	99916	0.8552	0.8697	1.70
16190	Clarke County, Iowa	99916	0.8552	0.8697	1.70
16200	Clay County, Iowa	99916	0.8552	0.8697	1.70

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
16210	Clayton County, Iowa	99916	0.8552	0.8697	1.70
16220	Clinton County, Iowa	99916	0.8552	0.8697	1.70
16230	Crawford County, Iowa	99916	0.8552	0.8697	1.70
16240	Dallas County, Iowa	19780	0.9669	0.9136	-5.51
16250	Davis County, Iowa	99916	0.8552	0.8697	1.70
16260	Decatur County, Iowa	99916	0.8552	0.8697	1.70
16270	Delaware County, Iowa	99916	0.8552	0.8697	1.70
16280	Des Moines County, Iowa	99916	0.8552	0.8697	1.70
16290	Dickinson County, Iowa	99916	0.8552	0.8697	1.70
16300	Dubuque County, Iowa	20220	0.9024	0.9150	1.40
16310	Emmet County, Iowa	99916	0.8552	0.8697	1.70
16320	Fayette County, Iowa	99916	0.8552	0.8697	1.70
16330	Floyd County, Iowa	99916	0.8552	0.8697	1.70
16340	Franklin County, Iowa	99916	0.8552	0.8697	1.70
16350	Fremont County, Iowa	99916	0.8552	0.8697	1.70
16360	Greene County, Iowa	99916	0.8552	0.8697	1.70
16370	Grundy County, Iowa	47940	0.8576	0.8422	-1.80
16380	Guthrie County, Iowa	19780	0.9132	0.9136	0.04
16390	Hamilton County, Iowa	99916	0.8552	0.8697	1.70
16400	Hancock County, Iowa	99916	0.8552	0.8697	1.70
16410	Hardin County, Iowa	99916	0.8552	0.8697	1.70
16420	Harrison County, Iowa	36540	0.9077	0.9467	4.30
16430	Henry County, Iowa	99916	0.8552	0.8697	1.70
16440	Howard County, Iowa	99916	0.8552	0.8697	1.70
16450	Humboldt County, Iowa	99916	0.8552	0.8697	1.70
16460	Ida County, Iowa	99916	0.8552	0.8697	1.70
16470	Iowa County, Iowa	99916	0.8552	0.8697	1.70
16480	Jackson County, Iowa	99916	0.8552	0.8697	1.70
16490	Jasper County, Iowa	99916	0.8552	0.8697	1.70
16500	Jefferson County, Iowa	99916	0.8552	0.8697	1.70
16510	Johnson County, Iowa	26980	0.9747	0.9731	-0.16
16520	Jones County, Iowa	16300	0.8710	0.8903	2.22
16530	Keokuk County, Iowa	99916	0.8552	0.8697	1.70
16540	Kossuth County, Iowa	99916	0.8552	0.8697	1.70
16550	Lee County, Iowa	99916	0.8552	0.8697	1.70
16560	Linn County, Iowa	16300	0.8825	0.8903	0.88
16570	Louisa County, Iowa	99916	0.8552	0.8697	1.70
16580	Lucas County, Iowa	99916	0.8552	0.8697	1.70
16590	Lyon County, Iowa	99916	0.8552	0.8697	1.70
16600	Madison County, Iowa	19780	0.9132	0.9136	0.04
16610	Mahaska County, Iowa	99916	0.8552	0.8697	1.70
16620	Marion County, Iowa	99916	0.8552	0.8697	1.70
16630	Marshall County, Iowa	99916	0.8552	0.8697	1.70
16640	Mills County, Iowa	36540	0.9077	0.9467	4.30
16650	Mitchell County, Iowa	99916	0.8552	0.8697	1.70
16660	Monona County, Iowa	99916	0.8552	0.8697	1.70
16670	Monroe County, Iowa	99916	0.8552	0.8697	1.70
16680	Montgomery County, Iowa	99916	0.8552	0.8697	1.70
16690	Muscatine County, Iowa	99916	0.8552	0.8697	1.70
16700	O'Brien County, Iowa	99916	0.8552	0.8697	1.70
16710	Osceola County, Iowa	99916	0.8552	0.8697	1.70
16720	Page County, Iowa	99916	0.8552	0.8697	1.70
16730	Palo Alto County, Iowa	99916	0.8552	0.8697	1.70
16740	Plymouth County, Iowa	99916	0.8552	0.8697	1.70
16750	Pocahontas County, Iowa	99916	0.8552	0.8697	1.70
16760	Polk County, Iowa	19780	0.9669	0.9136	-5.51
16770	Pottawattamie County, Iowa	36540	0.9560	0.9467	-0.97
16780	Poweshiek County, Iowa	99916	0.8552	0.8697	1.70
16790	Ringgold County, Iowa	99916	0.8552	0.8697	1.70
16800	Sac County, Iowa	99916	0.8552	0.8697	1.70
16810	Scott County, Iowa	19340	0.8724	0.8557	-1.91
16820	Shelby County, Iowa	99916	0.8552	0.8697	1.70
16830	Sioux County, Iowa	99916	0.8552	0.8697	1.70
16840	Story County, Iowa	11180	0.9065	0.9777	7.85
16850	Tama County, Iowa	99916	0.8552	0.8697	1.70
16860	Taylor County, Iowa	99916	0.8552	0.8697	1.70
16870	Union County, Iowa	99916	0.8552	0.8697	1.70

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
16880	Van Buren County, Iowa	99916	0.8552	0.8697	1.70
16890	Wapello County, Iowa	99916	0.8552	0.8697	1.70
16900	Warren County, Iowa	19780	0.9669	0.9136	-5.51
16910	Washington County, Iowa	26980	0.9171	0.9731	6.11
16920	Wayne County, Iowa	99916	0.8552	0.8697	1.70
16930	Webster County, Iowa	99916	0.8552	0.8697	1.70
16940	Winnebago County, Iowa	99916	0.8552	0.8697	1.70
16950	Winneshiek County, Iowa	99916	0.8552	0.8697	1.70
16960	Woodbury County, Iowa	43580	0.9399	0.9217	-1.94
16970	Worth County, Iowa	99916	0.8552	0.8697	1.70
16980	Wright County, Iowa	99916	0.8552	0.8697	1.70
17000	Allen County, Kansas	99917	0.8038	0.8000	-0.47
17010	Anderson County, Kansas	99917	0.8038	0.8000	-0.47
17020	Atchison County, Kansas	99917	0.8038	0.8000	-0.47
17030	Barber County, Kansas	99917	0.8038	0.8000	-0.47
17040	Barton County, Kansas	99917	0.8038	0.8000	-0.47
17050	Bourbon County, Kansas	99917	0.8038	0.8000	-0.47
17060	Brown County, Kansas	99917	0.8038	0.8000	-0.47
17070	Butler County, Kansas	48620	0.9164	0.9079	-0.93
17080	Chase County, Kansas	99917	0.8038	0.8000	-0.47
17090	Chautauqua County, Kansas	99917	0.8038	0.8000	-0.47
17100	Cherokee County, Kansas	99917	0.8038	0.8000	-0.47
17110	Cheyenne County, Kansas	99917	0.8038	0.8000	-0.47
17120	Clark County, Kansas	99917	0.8038	0.8000	-0.47
17130	Clay County, Kansas	99917	0.8038	0.8000	-0.47
17140	Cloud County, Kansas	99917	0.8038	0.8000	-0.47
17150	Coffey County, Kansas	99917	0.8038	0.8000	-0.47
17160	Comanche County, Kansas	99917	0.8038	0.8000	-0.47
17170	Cowley County, Kansas	99917	0.8038	0.8000	-0.47
17180	Crawford County, Kansas	99917	0.8038	0.8000	-0.47
17190	Decatur County, Kansas	99917	0.8038	0.8000	-0.47
17200	Dickinson County, Kansas	99917	0.8038	0.8000	-0.47
17210	Doniphan County, Kansas	41140	0.8780	1.0136	15.44
17220	Douglas County, Kansas	29940	0.8537	0.8353	-2.16
17230	Edwards County, Kansas	99917	0.8038	0.8000	-0.47
17240	Elk County, Kansas	99917	0.8038	0.8000	-0.47
17250	Ellis County, Kansas	99917	0.8038	0.8000	-0.47
17260	Ellsworth County, Kansas	99917	0.8038	0.8000	-0.47
17270	Finney County, Kansas	99917	0.8038	0.8000	-0.47
17280	Ford County, Kansas	99917	0.8038	0.8000	-0.47
17290	Franklin County, Kansas	28140	0.8758	0.9514	8.63
17300	Geary County, Kansas	99917	0.8038	0.8000	-0.47
17310	Gove County, Kansas	99917	0.8038	0.8000	-0.47
17320	Graham County, Kansas	99917	0.8038	0.8000	-0.47
17330	Grant County, Kansas	99917	0.8038	0.8000	-0.47
17340	Gray County, Kansas	99917	0.8038	0.8000	-0.47
17350	Greeley County, Kansas	99917	0.8038	0.8000	-0.47
17360	Greenwood County, Kansas	99917	0.8038	0.8000	-0.47
17370	Hamilton County, Kansas	99917	0.8038	0.8000	-0.47
17380	Harper County, Kansas	99917	0.8038	0.8000	-0.47
17390	Harvey County, Kansas	48620	0.9164	0.9079	-0.93
17391	Haskell County, Kansas	99917	0.8038	0.8000	-0.47
17410	Hodgeman County, Kansas	99917	0.8038	0.8000	-0.47
17420	Jackson County, Kansas	45820	0.8480	0.8746	3.14
17430	Jefferson County, Kansas	45820	0.8480	0.8746	3.14
17440	Jewell County, Kansas	99917	0.8038	0.8000	-0.47
17450	Johnson County, Kansas	28140	0.9483	0.9514	0.33
17451	Kearny County, Kansas	99917	0.8038	0.8000	-0.47
17470	Kingman County, Kansas	99917	0.8038	0.8000	-0.47
17480	Kiowa County, Kansas	99917	0.8038	0.8000	-0.47
17490	Labette County, Kansas	99917	0.8038	0.8000	-0.47
17500	Lane County, Kansas	99917	0.8038	0.8000	-0.47
17510	Leavenworth County, Kansas	28140	0.9483	0.9514	0.33
17520	Lincoln County, Kansas	99917	0.8038	0.8000	-0.47
17530	Linn County, Kansas	28140	0.8758	0.9514	8.63
17540	Logan County, Kansas	99917	0.8038	0.8000	-0.47
17550	Lyon County, Kansas	99917	0.8038	0.8000	-0.47

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
17560	Mc Pherson County, Kansas	99917	0.8038	0.8000	-0.47
17570	Marion County, Kansas	99917	0.8038	0.8000	-0.47
17580	Marshall County, Kansas	99917	0.8038	0.8000	-0.47
17590	Meade County, Kansas	99917	0.8038	0.8000	-0.47
17600	Miami County, Kansas	28140	0.9483	0.9514	0.33
17610	Mitchell County, Kansas	99917	0.8038	0.8000	-0.47
17620	Montgomery County, Kansas	99917	0.8038	0.8000	-0.47
17630	Morris County, Kansas	99917	0.8038	0.8000	-0.47
17640	Morton County, Kansas	99917	0.8038	0.8000	-0.47
17650	Nemaha County, Kansas	99917	0.8038	0.8000	-0.47
17660	Neosho County, Kansas	99917	0.8038	0.8000	-0.47
17670	Ness County, Kansas	99917	0.8038	0.8000	-0.47
17680	Norton County, Kansas	99917	0.8038	0.8000	-0.47
17690	Osage County, Kansas	45820	0.8480	0.8746	3.14
17700	Osborne County, Kansas	99917	0.8038	0.8000	-0.47
17710	Ottawa County, Kansas	99917	0.8038	0.8000	-0.47
17720	Pawnee County, Kansas	99917	0.8038	0.8000	-0.47
17730	Phillips County, Kansas	99917	0.8038	0.8000	-0.47
17740	Pottawatomie County, Kansas	99917	0.8038	0.8000	-0.47
17750	Pratt County, Kansas	99917	0.8038	0.8000	-0.47
17760	Rawlins County, Kansas	99917	0.8038	0.8000	-0.47
17770	Reno County, Kansas	99917	0.8038	0.8000	-0.47
17780	Republic County, Kansas	99917	0.8038	0.8000	-0.47
17790	Rice County, Kansas	99917	0.8038	0.8000	-0.47
17800	Riley County, Kansas	99917	0.8038	0.8000	-0.47
17810	Rooks County, Kansas	99917	0.8038	0.8000	-0.47
17820	Rush County, Kansas	99917	0.8038	0.8000	-0.47
17830	Russell County, Kansas	99917	0.8038	0.8000	-0.47
17840	Saline County, Kansas	99917	0.8038	0.8000	-0.47
17841	Scott County, Kansas	99917	0.8038	0.8000	-0.47
17860	Sedgwick County, Kansas	48620	0.9164	0.9079	-0.93
17870	Seward County, Kansas	99917	0.8038	0.8000	-0.47
17880	Shawnee County, Kansas	45820	0.8920	0.8746	-1.95
17890	Sheridan County, Kansas	99917	0.8038	0.8000	-0.47
17900	Sherman County, Kansas	99917	0.8038	0.8000	-0.47
17910	Smith County, Kansas	99917	0.8038	0.8000	-0.47
17920	Stafford County, Kansas	99917	0.8038	0.8000	-0.47
17921	Stanton County, Kansas	99917	0.8038	0.8000	-0.47
17940	Stevens County, Kansas	99917	0.8038	0.8000	-0.47
17950	Sumner County, Kansas	48620	0.8597	0.9079	5.61
17960	Thomas County, Kansas	99917	0.8038	0.8000	-0.47
17970	Trego County, Kansas	99917	0.8038	0.8000	-0.47
17980	Wabaunsee County, Kansas	45820	0.8480	0.8746	3.14
17981	Wallace County, Kansas	99917	0.8038	0.8000	-0.47
17982	Washington County, Kansas	99917	0.8038	0.8000	-0.47
17983	Wichita County, Kansas	99917	0.8038	0.8000	-0.47
17984	Wilson County, Kansas	99917	0.8038	0.8000	-0.47
17985	Woodson County, Kansas	99917	0.8038	0.8000	-0.47
17986	Wyandotte County, Kansas	28140	0.9483	0.9514	0.33
18000	Adair County, Kentucky	99918	0.7812	0.7780	-0.41
18010	Allen County, Kentucky	99918	0.7812	0.7780	-0.41
18020	Anderson County, Kentucky	99918	0.7812	0.7780	-0.41
18030	Ballard County, Kentucky	99918	0.7812	0.7780	-0.41
18040	Barren County, Kentucky	99918	0.7812	0.7780	-0.41
18050	Bath County, Kentucky	99918	0.7812	0.7780	-0.41
18060	Bell County, Kentucky	99918	0.7812	0.7780	-0.41
18070	Boone County, Kentucky	17140	0.9675	0.9617	-0.60
18080	Bourbon County, Kentucky	30460	0.9032	0.9191	1.76
18090	Boyd County, Kentucky	26580	0.9477	0.9013	-4.90
18100	Boyle County, Kentucky	99918	0.7812	0.7780	-0.41
18110	Bracken County, Kentucky	17140	0.8737	0.9617	10.07
18120	Breathitt County, Kentucky	99918	0.7812	0.7780	-0.41
18130	Breckinridge County, Kentucky	99918	0.7812	0.7780	-0.41
18140	Bullitt County, Kentucky	31140	0.9272	0.9135	-1.48
18150	Butler County, Kentucky	99918	0.7812	0.7780	-0.41
18160	Caldwell County, Kentucky	99918	0.7812	0.7780	-0.41
18170	Calloway County, Kentucky	99918	0.7812	0.7780	-0.41

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
18180	Campbell County, Kentucky	17140	0.9675	0.9617	-0.60
18190	Carlisle County, Kentucky	99918	0.7812	0.7780	-0.41
18191	Carroll County, Kentucky	99918	0.7812	0.7780	-0.41
18210	Carter County, Kentucky	99918	0.8622	0.7780	-9.77
18220	Casey County, Kentucky	99918	0.7812	0.7780	-0.41
18230	Christian County, Kentucky	17300	0.8284	0.8451	2.02
18240	Clark County, Kentucky	30460	0.9032	0.9191	1.76
18250	Clay County, Kentucky	99918	0.7812	0.7780	-0.41
18260	Clinton County, Kentucky	99918	0.7812	0.7780	-0.41
18270	Crittenden County, Kentucky	99918	0.7812	0.7780	-0.41
18271	Cumberland County, Kentucky	99918	0.7812	0.7780	-0.41
18290	Daviess County, Kentucky	36980	0.8780	0.8763	-0.19
18291	Edmonson County, Kentucky	14540	0.8035	0.8162	1.58
18310	Elliott County, Kentucky	99918	0.7812	0.7780	-0.41
18320	Estill County, Kentucky	99918	0.7812	0.7780	-0.41
18330	Fayette County, Kentucky	30460	0.9032	0.9191	1.76
18340	Fleming County, Kentucky	99918	0.7812	0.7780	-0.41
18350	Floyd County, Kentucky	99918	0.7812	0.7780	-0.41
18360	Franklin County, Kentucky	99918	0.7812	0.7780	-0.41
18361	Fulton County, Kentucky	99918	0.7812	0.7780	-0.41
18362	Gallatin County, Kentucky	17140	0.9675	0.9617	-0.60
18390	Garrard County, Kentucky	99918	0.7812	0.7780	-0.41
18400	Grant County, Kentucky	17140	0.9675	0.9617	-0.60
18410	Graves County, Kentucky	99918	0.7812	0.7780	-0.41
18420	Grayson County, Kentucky	99918	0.7812	0.7780	-0.41
18421	Green County, Kentucky	99918	0.7812	0.7780	-0.41
18440	Greenup County, Kentucky	26580	0.9477	0.9013	-4.90
18450	Hancock County, Kentucky	36980	0.8319	0.8763	5.34
18460	Hardin County, Kentucky	21060	0.8330	0.8713	4.60
18470	Harlan County, Kentucky	99918	0.7812	0.7780	-0.41
18480	Harrison County, Kentucky	99918	0.7812	0.7780	-0.41
18490	Hart County, Kentucky	99918	0.7812	0.7780	-0.41
18500	Henderson County, Kentucky	21780	0.8713	0.8830	1.34
18510	Henry County, Kentucky	31140	0.8555	0.9135	6.78
18511	Hickman County, Kentucky	99918	0.7812	0.7780	-0.41
18530	Hopkins County, Kentucky	99918	0.7812	0.7780	-0.41
18540	Jackson County, Kentucky	99918	0.7812	0.7780	-0.41
18550	Jefferson County, Kentucky	31140	0.9272	0.9135	-1.48
18560	Jessamine County, Kentucky	30460	0.9032	0.9191	1.76
18570	Johnson County, Kentucky	99918	0.7812	0.7780	-0.41
18580	Kenton County, Kentucky	17140	0.9675	0.9617	-0.60
18590	Knott County, Kentucky	99918	0.7812	0.7780	-0.41
18600	Knox County, Kentucky	99918	0.7812	0.7780	-0.41
18610	Larue County, Kentucky	21060	0.8330	0.8713	4.60
18620	Laurel County, Kentucky	99918	0.7812	0.7780	-0.41
18630	Lawrence County, Kentucky	99918	0.7812	0.7780	-0.41
18640	Lee County, Kentucky	99918	0.7812	0.7780	-0.41
18650	Leslie County, Kentucky	99918	0.7812	0.7780	-0.41
18660	Letcher County, Kentucky	99918	0.7812	0.7780	-0.41
18670	Lewis County, Kentucky	99918	0.7812	0.7780	-0.41
18680	Lincoln County, Kentucky	99918	0.7812	0.7780	-0.41
18690	Livingston County, Kentucky	99918	0.7812	0.7780	-0.41
18700	Logan County, Kentucky	99918	0.7812	0.7780	-0.41
18710	Lyon County, Kentucky	99918	0.7812	0.7780	-0.41
18720	Mc Cracken County, Kentucky	99918	0.7812	0.7780	-0.41
18730	Mc Creary County, Kentucky	99918	0.7812	0.7780	-0.41
18740	Mc Lean County, Kentucky	36980	0.8319	0.8763	5.34
18750	Madison County, Kentucky	99918	0.8377	0.7780	-7.13
18760	Magoffin County, Kentucky	99918	0.7812	0.7780	-0.41
18770	Marion County, Kentucky	99918	0.7812	0.7780	-0.41
18780	Marshall County, Kentucky	99918	0.7812	0.7780	-0.41
18790	Martin County, Kentucky	99918	0.7812	0.7780	-0.41
18800	Mason County, Kentucky	99918	0.7812	0.7780	-0.41
18801	Meade County, Kentucky	31140	0.8555	0.9135	6.78
18802	Menifee County, Kentucky	99918	0.7812	0.7780	-0.41
18830	Mercer County, Kentucky	99918	0.7812	0.7780	-0.41
18831	Metcalfe County, Kentucky	99918	0.7812	0.7780	-0.41

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
18850	Monroe County, Kentucky	99918	0.7812	0.7780	-0.41
18860	Montgomery County, Kentucky	99918	0.7812	0.7780	-0.41
18861	Morgan County, Kentucky	99918	0.7812	0.7780	-0.41
18880	Muhlenberg County, Kentucky	99918	0.7812	0.7780	-0.41
18890	Nelson County, Kentucky	31140	0.8555	0.9135	6.78
18900	Nicholas County, Kentucky	99918	0.7812	0.7780	-0.41
18910	Ohio County, Kentucky	99918	0.7812	0.7780	-0.41
18920	Oldham County, Kentucky	31140	0.9272	0.9135	-1.48
18930	Owen County, Kentucky	99918	0.7812	0.7780	-0.41
18931	Owsley County, Kentucky	99918	0.7812	0.7780	-0.41
18932	Pendleton County, Kentucky	17140	0.9675	0.9617	-0.60
18960	Perry County, Kentucky	99918	0.7812	0.7780	-0.41
18970	Pike County, Kentucky	99918	0.7812	0.7780	-0.41
18971	Powell County, Kentucky	99918	0.7812	0.7780	-0.41
18972	Pulaski County, Kentucky	99918	0.7812	0.7780	-0.41
18973	Robertson County, Kentucky	99918	0.7812	0.7780	-0.41
18974	Rockcastle County, Kentucky	99918	0.7812	0.7780	-0.41
18975	Rowan County, Kentucky	99918	0.7812	0.7780	-0.41
18976	Russell County, Kentucky	99918	0.7812	0.7780	-0.41
18977	Scott County, Kentucky	30460	0.9032	0.9191	1.76
18978	Shelby County, Kentucky	31140	0.8555	0.9135	6.78
18979	Simpson County, Kentucky	99918	0.7812	0.7780	-0.41
18980	Spencer County, Kentucky	31140	0.8555	0.9135	6.78
18981	Taylor County, Kentucky	99918	0.7812	0.7780	-0.41
18982	Todd County, Kentucky	99918	0.7812	0.7780	-0.41
18983	Trigg County, Kentucky	17300	0.8071	0.8451	4.71
18984	Trimble County, Kentucky	31140	0.8555	0.9135	6.78
18985	Union County, Kentucky	99918	0.7812	0.7780	-0.41
18986	Warren County, Kentucky	14540	0.8035	0.8162	1.58
18987	Washington County, Kentucky	99918	0.7812	0.7780	-0.41
18988	Wayne County, Kentucky	99918	0.7812	0.7780	-0.41
18989	Webster County, Kentucky	21780	0.8286	0.8830	6.57
18990	Whitley County, Kentucky	99918	0.7812	0.7780	-0.41
18991	Wolfe County, Kentucky	99918	0.7812	0.7780	-0.41
18992	Woodford County, Kentucky	30460	0.9032	0.9191	1.76
19000	Acadia County, Louisiana	99919	0.7831	0.7450	-4.87
19010	Allen County, Louisiana	99919	0.7376	0.7450	1.00
19020	Ascension County, Louisiana	12940	0.8618	0.8099	-6.02
19030	Assumption County, Louisiana	99919	0.7376	0.7450	1.00
19040	Avoyelles County, Louisiana	99919	0.7376	0.7450	1.00
19050	Beauregard County, Louisiana	99919	0.7376	0.7450	1.00
19060	Bienville County, Louisiana	99919	0.7376	0.7450	1.00
19070	Bossier County, Louisiana	43340	0.8749	0.8881	1.51
19080	Caddo County, Louisiana	43340	0.8749	0.8881	1.51
19090	Calcasieu County, Louisiana	29340	0.7846	0.7928	1.05
19100	Caldwell County, Louisiana	99919	0.7376	0.7450	1.00
19110	Cameron County, Louisiana	29340	0.7587	0.7928	4.49
19120	Catahoula County, Louisiana	99919	0.7376	0.7450	1.00
19130	Claiborne County, Louisiana	99919	0.7376	0.7450	1.00
19140	Concordia County, Louisiana	99919	0.7376	0.7450	1.00
19150	De Soto County, Louisiana	43340	0.8050	0.8881	10.32
19160	East Baton Rouge County, Louisiana	12940	0.8618	0.8099	-6.02
19170	East Carroll County, Louisiana	99919	0.7376	0.7450	1.00
19180	East Feliciana County, Louisiana	12940	0.7967	0.8099	1.66
19190	Evangeline County, Louisiana	99919	0.7376	0.7450	1.00
19200	Franklin County, Louisiana	99919	0.7376	0.7450	1.00
19210	Grant County, Louisiana	10780	0.7687	0.8020	4.33
19220	Iberia County, Louisiana	99919	0.7376	0.7450	1.00
19230	Iberville County, Louisiana	12940	0.7967	0.8099	1.66
19240	Jackson County, Louisiana	99919	0.7376	0.7450	1.00
19250	Jefferson County, Louisiana	35380	0.8995	0.8858	-1.52
19260	Jefferson Davis County, Louisiana	99919	0.7376	0.7450	1.00
19270	Lafayette County, Louisiana	29180	0.8340	0.8293	-0.56
19280	Lafourche County, Louisiana	26380	0.7894	0.8003	1.38
19290	La Salle County, Louisiana	99919	0.7376	0.7450	1.00
19300	Lincoln County, Louisiana	99919	0.7376	0.7450	1.00
19310	Livingston County, Louisiana	12940	0.8618	0.8099	-6.02

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
19320	Madison County, Louisiana	99919	0.7376	0.7450	1.00
19330	Morehouse County, Louisiana	99919	0.7376	0.7450	1.00
19340	Natchitoches County, Louisiana	99919	0.7376	0.7450	1.00
19350	Orleans County, Louisiana	35380	0.8995	0.8858	-1.52
19360	Ouachita County, Louisiana	33740	0.8038	0.8011	-0.34
19370	Plaquemines County, Louisiana	35380	0.8995	0.8858	-1.52
19380	Pointe Coupee County, Louisiana	12940	0.7967	0.8099	1.66
19390	Rapides County, Louisiana	10780	0.8033	0.8020	-0.16
19400	Red River County, Louisiana	99919	0.7376	0.7450	1.00
19410	Richland County, Louisiana	99919	0.7376	0.7450	1.00
19420	Sabine County, Louisiana	99919	0.7376	0.7450	1.00
19430	St Bernard County, Louisiana	35380	0.8995	0.8858	-1.52
19440	St Charles County, Louisiana	35380	0.8995	0.8858	-1.52
19450	St Helena County, Louisiana	12940	0.7967	0.8099	1.66
19460	St James County, Louisiana	99919	0.8203	0.7450	-9.18
19470	St John Baptist County, Louisiana	35380	0.8995	0.8858	-1.52
19480	St Landry County, Louisiana	99919	0.7831	0.7450	-4.87
19490	St Martin County, Louisiana	29180	0.8340	0.8293	-0.56
19500	St Mary County, Louisiana	99919	0.7376	0.7450	1.00
19510	St Tammany County, Louisiana	35380	0.8995	0.8858	-1.52
19520	Tangipahoa County, Louisiana	99919	0.7376	0.7450	1.00
19530	Tensas County, Louisiana	99919	0.7376	0.7450	1.00
19540	Terrebonne County, Louisiana	26380	0.7894	0.8003	1.38
19550	Union County, Louisiana	33740	0.7686	0.8011	4.23
19560	Vermilion County, Louisiana	99919	0.7376	0.7450	1.00
19570	Vernon County, Louisiana	99919	0.7376	0.7450	1.00
19580	Washington County, Louisiana	99919	0.7376	0.7450	1.00
19590	Webster County, Louisiana	99919	0.8074	0.7450	-7.73
19600	West Baton Rouge County, Louisiana	12940	0.8618	0.8099	-6.02
19610	West Carroll County, Louisiana	99919	0.7376	0.7450	1.00
19620	West Feliciana County, Louisiana	12940	0.7967	0.8099	1.66
19630	Winn County, Louisiana	99919	0.7376	0.7450	1.00
20000	Androscoggin County, Maine	30340	0.9331	0.9148	-1.96
20010	Aroostook County, Maine	99920	0.8843	0.8410	-4.90
20020	Cumberland County, Maine	38860	1.0382	0.9926	-4.39
20030	Franklin County, Maine	99920	0.8843	0.8410	-4.90
20040	Hancock County, Maine	99920	0.8843	0.8410	-4.90
20050	Kennebec County, Maine	99920	0.8843	0.8410	-4.90
20060	Knox County, Maine	99920	0.8843	0.8410	-4.90
20070	Lincoln County, Maine	99920	0.8843	0.8410	-4.90
20080	Oxford County, Maine	99920	0.8843	0.8410	-4.90
20090	Penobscot County, Maine	12620	0.9993	0.9719	-2.74
20100	Piscataquis County, Maine	99920	0.8843	0.8410	-4.90
20110	Sagadahoc County, Maine	38860	1.0382	0.9926	-4.39
20120	Somerset County, Maine	99920	0.8843	0.8410	-4.90
20130	Waldo County, Maine	99920	0.8843	0.8410	-4.90
20140	Washington County, Maine	99920	0.8843	0.8410	-4.90
20150	York County, Maine	38860	1.0382	0.9926	-4.39
21000	Allegany County, Maryland	19060	0.9317	0.8859	-4.92
21010	Anne Arundel County, Maryland	12580	0.9897	1.0106	2.11
21020	Baltimore County, Maryland	12580	0.9897	1.0106	2.11
21030	Baltimore City County, Maryland	12580	0.9897	1.0106	2.11
21040	Calvert County, Maryland	47894	1.0951	1.1074	1.12
21050	Caroline County, Maryland	99921	0.9292	0.8942	-3.77
21060	Carroll County, Maryland	12580	0.9897	1.0106	2.11
21070	Cecil County, Maryland	48864	1.0499	1.0703	1.94
21080	Charles County, Maryland	47894	1.0951	1.1074	1.12
21090	Dorchester County, Maryland	99921	0.9292	0.8942	-3.77
21100	Frederick County, Maryland	13644	1.1230	1.0923	-2.73
21110	Garrett County, Maryland	99921	0.9292	0.8942	-3.77
21120	Harford County, Maryland	12580	0.9897	1.0106	2.11
21130	Howard County, Maryland	12580	0.9897	1.0106	2.11
21140	Kent County, Maryland	99921	0.9292	0.8942	-3.77
21150	Montgomery County, Maryland	13644	1.1230	1.0923	-2.73
21160	Prince Georges County, Maryland	47894	1.0951	1.1074	1.12
21170	Queen Annes County, Maryland	12580	0.9897	1.0106	2.11
21180	St Marys County, Maryland	99921	0.9292	0.8942	-3.77

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
21190	Somerset County, Maryland	41540	0.9147	0.8969	-1.95
21200	Talbot County, Maryland	99921	0.9292	0.8942	-3.77
21210	Washington County, Maryland	25180	0.9679	0.9054	-6.46
21220	Wicomico County, Maryland	41540	0.9147	0.8969	-1.95
21230	Worcester County, Maryland	99921	0.9292	0.8942	-3.77
22000	Barnstable County, Massachusetts	12700	1.2600	1.2561	-0.31
22010	Berkshire County, Massachusetts	38340	1.0181	1.0284	1.01
22020	Bristol County, Massachusetts	39300	1.1072	1.0804	-2.42
22030	Dukes County, Massachusetts	99922	1.0216	1.0216	0.00
22040	Essex County, Massachusetts	21604	1.0858	1.0437	-3.88
22060	Franklin County, Massachusetts	44140	1.0232	1.0080	-0.63
22070	Hampden County, Massachusetts	44140	1.0256	1.0080	-1.72
22080	Hampshire County, Massachusetts	44140	1.0256	1.0080	-1.72
22090	Middlesex County, Massachusetts	15764	1.1175	1.0918	-2.30
22120	Nantucket County, Massachusetts	99922	1.0216	1.0216	0.00
22130	Norfolk County, Massachusetts	14484	1.1368	1.1693	2.86
22150	Plymouth County, Massachusetts	14484	1.1368	1.1693	2.86
22160	Suffolk County, Massachusetts	14484	1.1368	1.1693	2.86
22170	Worcester County, Massachusetts	49340	1.1103	1.0741	-3.26
23000	Alcona County, Michigan	99923	0.8860	0.9052	2.17
23010	Alger County, Michigan	99923	0.8860	0.9052	2.17
23020	Allegan County, Michigan	99923	0.9170	0.9052	-1.29
23030	Alpena County, Michigan	99923	0.8860	0.9052	2.17
23040	Antrim County, Michigan	99923	0.8860	0.9052	2.17
23050	Arenac County, Michigan	99923	0.8860	0.9052	2.17
23060	Baraga County, Michigan	99923	0.8860	0.9052	2.17
23070	Barry County, Michigan	24340	0.9107	0.9470	3.99
23080	Bay County, Michigan	13020	0.9292	0.9271	-0.23
23090	Benzie County, Michigan	99923	0.8860	0.9052	2.17
23100	Berrien County, Michigan	35660	0.8879	0.8931	0.59
23110	Branch County, Michigan	99923	0.8860	0.9052	2.17
23120	Calhoun County, Michigan	12980	0.9826	0.9746	-0.81
23130	Cass County, Michigan	43780	0.9306	0.9690	4.13
23140	Charlevoix County, Michigan	99923	0.8860	0.9052	2.17
23150	Cheboygan County, Michigan	99923	0.8860	0.9052	2.17
23160	Chippewa County, Michigan	99923	0.8860	0.9052	2.17
23170	Clare County, Michigan	99923	0.8860	0.9052	2.17
23180	Clinton County, Michigan	29620	0.9794	1.0102	3.14
23190	Crawford County, Michigan	99923	0.8860	0.9052	2.17
23200	Delta County, Michigan	99923	0.8860	0.9052	2.17
23210	Dickinson County, Michigan	99923	0.8860	0.9052	2.17
23220	Eaton County, Michigan	29620	0.9794	1.0102	3.14
23230	Emmet County, Michigan	99923	0.8860	0.9052	2.17
23240	Genesee County, Michigan	22420	1.0655	1.0988	3.13
23250	Gladwin County, Michigan	99923	0.8860	0.9052	2.17
23260	Gogebic County, Michigan	99923	0.8860	0.9052	2.17
23270	Grand Traverse County, Michigan	99923	0.8860	0.9052	2.17
23280	Gratiot County, Michigan	99923	0.8860	0.9052	2.17
23290	Hillsdale County, Michigan	99923	0.8860	0.9052	2.17
23300	Houghton County, Michigan	99923	0.8860	0.9052	2.17
23310	Huron County, Michigan	99923	0.8860	0.9052	2.17
23320	Ingham County, Michigan	29620	0.9794	1.0102	3.14
23330	Ionia County, Michigan	24340	0.9107	0.9470	3.99
23340	Iosco County, Michigan	99923	0.8860	0.9052	2.17
23350	Iron County, Michigan	99923	0.8860	0.9052	2.17
23360	Isabella County, Michigan	99923	0.8860	0.9052	2.17
23370	Jackson County, Michigan	27100	0.9304	0.9577	2.93
23380	Kalamazoo County, Michigan	28020	1.0262	1.0723	4.49
23390	Kalkaska County, Michigan	99923	0.8860	0.9052	2.17
23400	Kent County, Michigan	24340	0.9418	0.9470	0.55
23410	Keweenaw County, Michigan	99923	0.8860	0.9052	2.17
23420	Lake County, Michigan	99923	0.8860	0.9052	2.17
23430	Lapeer County, Michigan	47644	1.0009	1.0126	1.17
23440	Leelanau County, Michigan	99923	0.8860	0.9052	2.17
23450	Lenawee County, Michigan	99923	0.9801	0.9052	-7.64
23460	Livingston County, Michigan	47644	1.0289	1.0126	-1.58
23470	Luce County, Michigan	99923	0.8860	0.9052	2.17

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
23480	Mackinac County, Michigan	99923	0.8860	0.9052	2.17
23490	Macomb County, Michigan	47644	1.0009	1.0126	1.17
23500	Manistee County, Michigan	99923	0.8860	0.9052	2.17
23510	Marquette County, Michigan	99923	0.8860	0.9052	2.17
23520	Mason County, Michigan	99923	0.8860	0.9052	2.17
23530	Mecosta County, Michigan	99923	0.8860	0.9052	2.17
23540	Menominee County, Michigan	99923	0.8860	0.9052	2.17
23550	Midland County, Michigan	99923	0.9068	0.9052	-0.18
23560	Missaukee County, Michigan	99923	0.8860	0.9052	2.17
23570	Monroe County, Michigan	33780	0.9808	0.9725	-0.85
23580	Montcalm County, Michigan	99923	0.8860	0.9052	2.17
23590	Montmorency County, Michigan	99923	0.8860	0.9052	2.17
23600	Muskegon County, Michigan	34740	0.9555	0.9957	4.21
23610	Newaygo County, Michigan	24340	0.9107	0.9470	3.99
23620	Oakland County, Michigan	47644	1.0009	1.0126	1.17
23630	Oceana County, Michigan	99923	0.8860	0.9052	2.17
23640	Ogemaw County, Michigan	99923	0.8860	0.9052	2.17
23650	Ontonagon County, Michigan	99923	0.8860	0.9052	2.17
23660	Osceola County, Michigan	99923	0.8860	0.9052	2.17
23670	Oscoda County, Michigan	99923	0.8860	0.9052	2.17
23680	Otsego County, Michigan	99923	0.8860	0.9052	2.17
23690	Ottawa County, Michigan	26100	0.9250	0.9205	-0.49
23700	Presque Isle County, Michigan	99923	0.8860	0.9052	2.17
23710	Roscommon County, Michigan	99923	0.8860	0.9052	2.17
23720	Saginaw County, Michigan	40980	0.9165	0.8889	-3.01
23730	St Clair County, Michigan	47644	1.0009	1.0126	1.17
23740	St Joseph County, Michigan	99923	0.8860	0.9052	2.17
23750	Sanilac County, Michigan	99923	0.8860	0.9052	2.17
23760	Schoolcraft County, Michigan	99923	0.8860	0.9052	2.17
23770	Shiawassee County, Michigan	99923	0.8860	0.9052	2.17
23780	Tuscola County, Michigan	99923	0.8860	0.9052	2.17
23790	Van Buren County, Michigan	28020	1.0262	1.0723	4.49
23800	Washtenaw County, Michigan	11460	1.0783	1.0838	0.51
23810	Wayne County, Michigan	19804	1.0286	1.0223	-0.61
23830	Wexford County, Michigan	99923	0.8860	0.9052	2.17
24000	Aitkin County, Minnesota	99924	0.9132	0.9167	0.38
24010	Anoka County, Minnesota	33460	1.1075	1.0965	-0.99
24020	Becker County, Minnesota	99924	0.9132	0.9167	0.38
24030	Beltrami County, Minnesota	99924	0.9132	0.9167	0.38
24040	Benton County, Minnesota	41060	0.9965	1.0380	4.16
24050	Big Stone County, Minnesota	99924	0.9132	0.9167	0.38
24060	Blue Earth County, Minnesota	99924	0.9132	0.9167	0.38
24070	Brown County, Minnesota	99924	0.9132	0.9167	0.38
24080	Carlton County, Minnesota	20260	0.9673	1.0070	4.10
24090	Carver County, Minnesota	33460	1.1075	1.0965	-0.99
24100	Cass County, Minnesota	99924	0.9132	0.9167	0.38
24110	Chippewa County, Minnesota	99924	0.9132	0.9167	0.38
24120	Chisago County, Minnesota	33460	1.1075	1.0965	-0.99
24130	Clay County, Minnesota	22020	0.8486	0.8265	-2.60
24140	Clearwater County, Minnesota	99924	0.9132	0.9167	0.38
24150	Cook County, Minnesota	99924	0.9132	0.9167	0.38
24160	Cottonwood County, Minnesota	99924	0.9132	0.9167	0.38
24170	Crow Wing County, Minnesota	99924	0.9132	0.9167	0.38
24180	Dakota County, Minnesota	33460	1.1075	1.0965	-0.99
24190	Dodge County, Minnesota	40340	1.0132	1.1260	11.13
24200	Douglas County, Minnesota	99924	0.9132	0.9167	0.38
24210	Faribault County, Minnesota	99924	0.9132	0.9167	0.38
24220	Fillmore County, Minnesota	99924	0.9132	0.9167	0.38
24230	Freeborn County, Minnesota	99924	0.9132	0.9167	0.38
24240	Goodhue County, Minnesota	99924	0.9132	0.9167	0.38
24250	Grant County, Minnesota	99924	0.9132	0.9167	0.38
24260	Hennepin County, Minnesota	33460	1.1075	1.0965	-0.99
24270	Houston County, Minnesota	29100	0.9564	0.9442	-1.28
24280	Hubbard County, Minnesota	99924	0.9132	0.9167	0.38
24290	Isanti County, Minnesota	33460	1.1075	1.0965	-0.99
24300	Itasca County, Minnesota	99924	0.9132	0.9167	0.38
24310	Jackson County, Minnesota	99924	0.9132	0.9167	0.38

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
24320	Kanabec County, Minnesota	99924	0.9132	0.9167	0.38
24330	Kandiyohi County, Minnesota	99924	0.9132	0.9167	0.38
24340	Kittson County, Minnesota	99924	0.9132	0.9167	0.38
24350	Koochiching County, Minnesota	99924	0.9132	0.9167	0.38
24360	Lac Qui Parle County, Minnesota	99924	0.9132	0.9167	0.38
24370	Lake County, Minnesota	99924	0.9132	0.9167	0.38
24380	Lake Of Woods County, Minnesota	99924	0.9132	0.9167	0.38
24390	Le Sueur County, Minnesota	99924	0.9132	0.9167	0.38
24400	Lincoln County, Minnesota	99924	0.9132	0.9167	0.38
24410	Lyon County, Minnesota	99924	0.9132	0.9167	0.38
24420	Mc Leod County, Minnesota	99924	0.9132	0.9167	0.38
24430	Mahnomen County, Minnesota	99924	0.9132	0.9167	0.38
24440	Marshall County, Minnesota	99924	0.9132	0.9167	0.38
24450	Martin County, Minnesota	99924	0.9132	0.9167	0.38
24460	Meeker County, Minnesota	99924	0.9132	0.9167	0.38
24470	Mille Lacs County, Minnesota	99924	0.9132	0.9167	0.38
24480	Morrison County, Minnesota	99924	0.9132	0.9167	0.38
24490	Mower County, Minnesota	99924	0.9132	0.9167	0.38
24500	Murray County, Minnesota	99924	0.9132	0.9167	0.38
24510	Nicollet County, Minnesota	99924	0.9132	0.9167	0.38
24520	Nobles County, Minnesota	99924	0.9132	0.9167	0.38
24530	Norman County, Minnesota	99924	0.9132	0.9167	0.38
24540	Olmsted County, Minnesota	40340	1.1131	1.1260	1.16
24550	Otter Tail County, Minnesota	99924	0.9132	0.9167	0.38
24560	Pennington County, Minnesota	99924	0.9132	0.9167	0.38
24570	Pine County, Minnesota	99924	0.9132	0.9167	0.38
24580	Pipestone County, Minnesota	99924	0.9132	0.9167	0.38
24590	Polk County, Minnesota	24220	0.7901	0.7963	0.78
24600	Pope County, Minnesota	99924	0.9132	0.9167	0.38
24610	Ramsey County, Minnesota	33460	1.1075	1.0965	-0.99
24620	Red Lake County, Minnesota	99924	0.9132	0.9167	0.38
24630	Redwood County, Minnesota	99924	0.9132	0.9167	0.38
24640	Renville County, Minnesota	99924	0.9132	0.9167	0.38
24650	Rice County, Minnesota	99924	0.9132	0.9167	0.38
24660	Rock County, Minnesota	99924	0.9132	0.9167	0.38
24670	Roseau County, Minnesota	99924	0.9132	0.9167	0.38
24680	St Louis County, Minnesota	20260	1.0213	1.0070	-1.40
24690	Scott County, Minnesota	33460	1.1075	1.0965	-0.99
24700	Sherburne County, Minnesota	33460	1.1075	1.0965	-0.99
24710	Sibley County, Minnesota	99924	0.9132	0.9167	0.38
24720	Stearns County, Minnesota	41060	0.9965	1.0380	4.16
24730	Steele County, Minnesota	99924	0.9132	0.9167	0.38
24740	Stevens County, Minnesota	99924	0.9132	0.9167	0.38
24750	Swift County, Minnesota	99924	0.9132	0.9167	0.38
24760	Todd County, Minnesota	99924	0.9132	0.9167	0.38
24770	Traverse County, Minnesota	99924	0.9132	0.9167	0.38
24780	Wabasha County, Minnesota	40340	1.0132	1.1260	11.13
24790	Wadena County, Minnesota	99924	0.9132	0.9167	0.38
24800	Waseca County, Minnesota	99924	0.9132	0.9167	0.38
24810	Washington County, Minnesota	33460	1.1075	1.0965	-0.99
24820	Watsonwan County, Minnesota	99924	0.9132	0.9167	0.38
24830	Wilkin County, Minnesota	99924	0.9132	0.9167	0.38
24840	Winona County, Minnesota	99924	0.9132	0.9167	0.38
24850	Wright County, Minnesota	33460	1.1075	1.0965	-0.99
24860	Yellow Medicine County, Minnesota	99924	0.9132	0.9167	0.38
25000	Adams County, Mississippi	99925	0.7654	0.7565	-1.16
25010	Alcorn County, Mississippi	99925	0.7654	0.7565	-1.16
25020	Amite County, Mississippi	99925	0.7654	0.7565	-1.16
25030	Attala County, Mississippi	99925	0.7654	0.7565	-1.16
25040	Benton County, Mississippi	99925	0.7654	0.7565	-1.16
25050	Bolivar County, Mississippi	99925	0.7654	0.7565	-1.16
25060	Calhoun County, Mississippi	99925	0.7654	0.7565	-1.16
25070	Carroll County, Mississippi	99925	0.7654	0.7565	-1.16
25080	Chickasaw County, Mississippi	99925	0.7654	0.7565	-1.16
25090	Choctaw County, Mississippi	99925	0.7654	0.7565	-1.16
25100	Claiborne County, Mississippi	99925	0.7654	0.7565	-1.16
25110	Clarke County, Mississippi	99925	0.7654	0.7565	-1.16

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
25120	Clay County, Mississippi	99925	0.7654	0.7565	-1.16
25130	Coahoma County, Mississippi	99925	0.7654	0.7565	-1.16
25140	Copiah County, Mississippi	27140	0.7973	0.8286	3.93
25150	Covington County, Mississippi	99925	0.7654	0.7565	-1.16
25160	Desoto County, Mississippi	32820	0.9407	0.9361	-0.49
25170	Forrest County, Mississippi	25620	0.7601	0.7443	-2.08
25180	Franklin County, Mississippi	99925	0.7654	0.7565	-1.16
25190	George County, Mississippi	37700	0.7895	0.8230	4.24
25200	Greene County, Mississippi	99925	0.7654	0.7565	-1.16
25210	Grenada County, Mississippi	99925	0.7654	0.7565	-1.16
25220	Hancock County, Mississippi	25060	0.8818	0.8931	1.28
25230	Harrison County, Mississippi	25060	0.8818	0.8931	1.28
25240	Hinds County, Mississippi	27140	0.8347	0.8286	-0.73
25250	Holmes County, Mississippi	99925	0.7654	0.7565	-1.16
25260	Humphreys County, Mississippi	99925	0.7654	0.7565	-1.16
25270	Issaquena County, Mississippi	99925	0.7654	0.7565	-1.16
25280	Itawamba County, Mississippi	99925	0.7654	0.7565	-1.16
25290	Jackson County, Mississippi	37700	0.8431	0.8230	-2.38
25300	Jasper County, Mississippi	99925	0.7654	0.7565	-1.16
25310	Jefferson County, Mississippi	99925	0.7654	0.7565	-1.16
25320	Jefferson Davis County, Mississippi	99925	0.7654	0.7565	-1.16
25330	Jones County, Mississippi	99925	0.7654	0.7565	-1.16
25340	Kemper County, Mississippi	99925	0.7654	0.7565	-1.16
25350	Lafayette County, Mississippi	99925	0.7654	0.7565	-1.16
25360	Lamar County, Mississippi	25620	0.7601	0.7443	-2.08
25370	Lauderdale County, Mississippi	99925	0.7654	0.7565	-1.16
25380	Lawrence County, Mississippi	99925	0.7654	0.7565	-1.16
25390	Leake County, Mississippi	99925	0.7654	0.7565	-1.16
25400	Lee County, Mississippi	99925	0.7654	0.7565	-1.16
25410	Leflore County, Mississippi	99925	0.7654	0.7565	-1.16
25420	Lincoln County, Mississippi	99925	0.7654	0.7565	-1.16
25430	Lowndes County, Mississippi	99925	0.7654	0.7565	-1.16
25440	Madison County, Mississippi	27140	0.8347	0.8286	-0.73
25450	Marion County, Mississippi	99925	0.7654	0.7565	-1.16
25460	Marshall County, Mississippi	32820	0.8516	0.9361	9.92
25470	Monroe County, Mississippi	99925	0.7654	0.7565	-1.16
25480	Montgomery County, Mississippi	99925	0.7654	0.7565	-1.16
25490	Neshoba County, Mississippi	99925	0.7654	0.7565	-1.16
25500	Newton County, Mississippi	99925	0.7654	0.7565	-1.16
25510	Noxubee County, Mississippi	99925	0.7654	0.7565	-1.16
25520	Oktibbeha County, Mississippi	99925	0.7654	0.7565	-1.16
25530	Panola County, Mississippi	99925	0.7654	0.7565	-1.16
25540	Pearl River County, Mississippi	99925	0.7654	0.7565	-1.16
25550	Perry County, Mississippi	25620	0.7618	0.7443	-2.30
25560	Pike County, Mississippi	99925	0.7654	0.7565	-1.16
25570	Pontotoc County, Mississippi	99925	0.7654	0.7565	-1.16
25580	Prentiss County, Mississippi	99925	0.7654	0.7565	-1.16
25590	Quitman County, Mississippi	99925	0.7654	0.7565	-1.16
25600	Rankin County, Mississippi	27140	0.8347	0.8286	-0.73
25610	Scott County, Mississippi	99925	0.7654	0.7565	-1.16
25620	Sharkey County, Mississippi	99925	0.7654	0.7565	-1.16
25630	Simpson County, Mississippi	27140	0.7973	0.8286	3.93
25640	Smith County, Mississippi	99925	0.7654	0.7565	-1.16
25650	Stone County, Mississippi	25060	0.8282	0.8931	7.84
25660	Sunflower County, Mississippi	99925	0.7654	0.7565	-1.16
25670	Tallahatchie County, Mississippi	99925	0.7654	0.7565	-1.16
25680	Tate County, Mississippi	32820	0.8516	0.9361	9.92
25690	Tippah County, Mississippi	99925	0.7654	0.7565	-1.16
25700	Tishomingo County, Mississippi	99925	0.7654	0.7565	-1.16
25710	Tunica County, Mississippi	32820	0.8516	0.9361	9.92
25720	Union County, Mississippi	99925	0.7654	0.7565	-1.16
25730	Walthall County, Mississippi	99925	0.7654	0.7565	-1.16
25740	Warren County, Mississippi	99925	0.7654	0.7565	-1.16
25750	Washington County, Mississippi	99925	0.7654	0.7565	-1.16
25760	Wayne County, Mississippi	99925	0.7654	0.7565	-1.16
25770	Webster County, Mississippi	99925	0.7654	0.7565	-1.16
25780	Wilkinson County, Mississippi	99925	0.7654	0.7565	-1.16

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
25790	Winston County, Mississippi	99925	0.7654	0.7565	-1.16
25800	Yalobusha County, Mississippi	99925	0.7654	0.7565	-1.16
25810	Yazoo County, Mississippi	99925	0.7654	0.7565	-1.16
26000	Adair County, Missouri	99926	0.7930	0.7934	0.05
26010	Andrew County, Missouri	41140	0.9519	1.0136	6.48
26020	Atchison County, Missouri	99926	0.7930	0.7934	0.05
26030	Audrain County, Missouri	99926	0.7930	0.7934	0.05
26040	Barry County, Missouri	99926	0.7930	0.7934	0.05
26050	Barton County, Missouri	99926	0.7930	0.7934	0.05
26060	Bates County, Missouri	28140	0.8718	0.9514	9.13
26070	Benton County, Missouri	99926	0.7930	0.7934	0.05
26080	Bollinger County, Missouri	99926	0.7930	0.7934	0.05
26090	Boone County, Missouri	17860	0.8345	0.8557	2.54
26100	Buchanan County, Missouri	41140	0.9519	1.0136	6.48
26110	Butler County, Missouri	99926	0.7930	0.7934	0.05
26120	Caldwell County, Missouri	28140	0.8718	0.9514	9.13
26130	Callaway County, Missouri	27620	0.8173	0.8347	2.13
26140	Camden County, Missouri	99926	0.7930	0.7934	0.05
26150	Cape Girardeau County, Missouri	99926	0.7930	0.7934	0.05
26160	Carroll County, Missouri	99926	0.7930	0.7934	0.05
26170	Carter County, Missouri	99926	0.7930	0.7934	0.05
26180	Cass County, Missouri	28140	0.9483	0.9514	0.33
26190	Cedar County, Missouri	99926	0.7930	0.7934	0.05
26200	Chariton County, Missouri	99926	0.7930	0.7934	0.05
26210	Christian County, Missouri	44180	0.8244	0.8484	2.91
26220	Clark County, Missouri	99926	0.7930	0.7934	0.05
26230	Clay County, Missouri	28140	0.9483	0.9514	0.33
26240	Clinton County, Missouri	28140	0.9483	0.9514	0.33
26250	Cole County, Missouri	27620	0.8173	0.8347	2.13
26260	Cooper County, Missouri	99926	0.7930	0.7934	0.05
26270	Crawford County, Missouri	41180	0.8457	0.9013	6.57
26280	Dade County, Missouri	99926	0.7930	0.7934	0.05
26290	Dallas County, Missouri	44180	0.8098	0.8484	4.77
26300	Daviess County, Missouri	99926	0.7930	0.7934	0.05
26310	De Kalb County, Missouri	41140	0.8739	1.0136	15.99
26320	Dent County, Missouri	99926	0.7930	0.7934	0.05
26330	Douglas County, Missouri	99926	0.7930	0.7934	0.05
26340	Dunklin County, Missouri	99926	0.7930	0.7934	0.05
26350	Franklin County, Missouri	41180	0.8958	0.9013	0.61
26360	Gasconade County, Missouri	99926	0.7930	0.7934	0.05
26370	Gentry County, Missouri	99926	0.7930	0.7934	0.05
26380	Greene County, Missouri	44180	0.8244	0.8484	2.91
26390	Grundy County, Missouri	99926	0.7930	0.7934	0.05
26400	Harrison County, Missouri	99926	0.7930	0.7934	0.05
26410	Henry County, Missouri	99926	0.7930	0.7934	0.05
26411	Hickory County, Missouri	99926	0.7930	0.7934	0.05
26412	Holt County, Missouri	99926	0.7930	0.7934	0.05
26440	Howard County, Missouri	17860	0.8152	0.8557	4.97
26450	Howell County, Missouri	99926	0.7930	0.7934	0.05
26460	Iron County, Missouri	99926	0.7930	0.7934	0.05
26470	Jackson County, Missouri	28140	0.9483	0.9514	0.33
26480	Jasper County, Missouri	27900	0.8582	0.8620	0.44
26490	Jefferson County, Missouri	41180	0.8958	0.9013	0.61
26500	Johnson County, Missouri	99926	0.7930	0.7934	0.05
26510	Knox County, Missouri	99926	0.7930	0.7934	0.05
26520	Laclede County, Missouri	99926	0.7930	0.7934	0.05
26530	Lafayette County, Missouri	28140	0.9483	0.9514	0.33
26540	Lawrence County, Missouri	99926	0.7930	0.7934	0.05
26541	Lewis County, Missouri	99926	0.7930	0.7934	0.05
26560	Lincoln County, Missouri	41180	0.8958	0.9013	0.61
26570	Linn County, Missouri	99926	0.7930	0.7934	0.05
26580	Livingston County, Missouri	99926	0.7930	0.7934	0.05
26590	Mc Donald County, Missouri	22220	0.8310	0.8761	5.43
26600	Macon County, Missouri	99926	0.7930	0.7934	0.05
26601	Madison County, Missouri	99926	0.7930	0.7934	0.05
26620	Maries County, Missouri	99926	0.7930	0.7934	0.05
26630	Marion County, Missouri	99926	0.7930	0.7934	0.05

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
26631	Mercer County, Missouri	99926	0.7930	0.7934	0.05
26650	Miller County, Missouri	99926	0.7930	0.7934	0.05
26660	Mississippi County, Missouri	99926	0.7930	0.7934	0.05
26670	Moniteau County, Missouri	27620	0.8173	0.8347	2.13
26680	Monroe County, Missouri	99926	0.7930	0.7934	0.05
26690	Montgomery County, Missouri	99926	0.7930	0.7934	0.05
26700	Morgan County, Missouri	99926	0.7930	0.7934	0.05
26710	New Madrid County, Missouri	99926	0.7930	0.7934	0.05
26720	Newton County, Missouri	27900	0.8582	0.8620	0.44
26730	Nodaway County, Missouri	99926	0.7930	0.7934	0.05
26740	Oregon County, Missouri	99926	0.7930	0.7934	0.05
26750	Osage County, Missouri	27620	0.8173	0.8347	2.13
26751	Ozark County, Missouri	99926	0.7930	0.7934	0.05
26770	Pemiscot County, Missouri	99926	0.7930	0.7934	0.05
26780	Perry County, Missouri	99926	0.7930	0.7934	0.05
26790	Pettis County, Missouri	99926	0.7930	0.7934	0.05
26800	Phelps County, Missouri	99926	0.7930	0.7934	0.05
26810	Pike County, Missouri	99926	0.7930	0.7934	0.05
26820	Platte County, Missouri	28140	0.9483	0.9514	0.33
26821	Polk County, Missouri	44180	0.8098	0.8484	4.77
26840	Pulaski County, Missouri	99926	0.7930	0.7934	0.05
26850	Putnam County, Missouri	99926	0.7930	0.7934	0.05
26860	Ralls County, Missouri	99926	0.7930	0.7934	0.05
26870	Randolph County, Missouri	99926	0.7930	0.7934	0.05
26880	Ray County, Missouri	28140	0.9483	0.9514	0.33
26881	Reynolds County, Missouri	99926	0.7930	0.7934	0.05
26900	Ripley County, Missouri	99926	0.7930	0.7934	0.05
26910	St Charles County, Missouri	41180	0.8958	0.9013	0.61
26911	St Clair County, Missouri	99926	0.7930	0.7934	0.05
26930	St Francois County, Missouri	99926	0.7930	0.7934	0.05
26940	St Louis County, Missouri	41180	0.8958	0.9013	0.61
26950	St Louis City County, Missouri	41180	0.8958	0.9013	0.61
26960	Ste Genevieve County, Missouri	99926	0.7930	0.7934	0.05
26970	Saline County, Missouri	99926	0.7930	0.7934	0.05
26980	Schuyler County, Missouri	99926	0.7930	0.7934	0.05
26981	Scotland County, Missouri	99926	0.7930	0.7934	0.05
26982	Scott County, Missouri	99926	0.7930	0.7934	0.05
26983	Shannon County, Missouri	99926	0.7930	0.7934	0.05
26984	Shelby County, Missouri	99926	0.7930	0.7934	0.05
26985	Stoddard County, Missouri	99926	0.7930	0.7934	0.05
26986	Stone County, Missouri	99926	0.7930	0.7934	0.05
26987	Sullivan County, Missouri	99926	0.7930	0.7934	0.05
26988	Taney County, Missouri	99926	0.7930	0.7934	0.05
26989	Texas County, Missouri	99926	0.7930	0.7934	0.05
26990	Vernon County, Missouri	99926	0.7930	0.7934	0.05
26991	Warren County, Missouri	41180	0.8958	0.9013	0.61
26992	Washington County, Missouri	41180	0.8457	0.9013	6.57
26993	Wayne County, Missouri	99926	0.7930	0.7934	0.05
26994	Webster County, Missouri	44180	0.8244	0.8484	2.91
26995	Worth County, Missouri	99926	0.7930	0.7934	0.05
26996	Wright County, Missouri	99926	0.7930	0.7934	0.05
27000	Beaverhead County, Montana	99927	0.8762	0.8605	-1.79
27010	Big Horn County, Montana	99927	0.8762	0.8605	-1.79
27020	Blaine County, Montana	99927	0.8762	0.8605	-1.79
27030	Broadwater County, Montana	99927	0.8762	0.8605	-1.79
27040	Carbon County, Montana	13740	0.8798	0.8728	-0.80
27050	Carter County, Montana	99927	0.8762	0.8605	-1.79
27060	Cascade County, Montana	24500	0.9052	0.8613	-4.85
27070	Chouteau County, Montana	99927	0.8762	0.8605	-1.79
27080	Custer County, Montana	99927	0.8762	0.8605	-1.79
27090	Daniels County, Montana	99927	0.8762	0.8605	-1.79
27100	Dawson County, Montana	99927	0.8762	0.8605	-1.79
27110	Deer Lodge County, Montana	99927	0.8762	0.8605	-1.79
27113	Yellowstone National Park, Montana	99927	0.8762	0.8605	-1.79
27120	Fallon County, Montana	99927	0.8762	0.8605	-1.79
27130	Fergus County, Montana	99927	0.8762	0.8605	-1.79
27140	Flathead County, Montana	99927	0.8762	0.8605	-1.79

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
27150	Gallatin County, Montana	99927	0.8762	0.8605	-1.79
27160	Garfield County, Montana	99927	0.8762	0.8605	-1.79
27170	Glacier County, Montana	99927	0.8762	0.8605	-1.79
27180	Golden Valley County, Montana	99927	0.8762	0.8605	-1.79
27190	Granite County, Montana	99927	0.8762	0.8605	-1.79
27200	Hill County, Montana	99927	0.8762	0.8605	-1.79
27210	Jefferson County, Montana	99927	0.8762	0.8605	-1.79
27220	Judith Basin County, Montana	99927	0.8762	0.8605	-1.79
27230	Lake County, Montana	99927	0.8762	0.8605	-1.79
27240	Lewis And Clark County, Montana	99927	0.8762	0.8605	-1.79
27250	Liberty County, Montana	99927	0.8762	0.8605	-1.79
27260	Lincoln County, Montana	99927	0.8762	0.8605	-1.79
27270	Mc Cone County, Montana	99927	0.8762	0.8605	-1.79
27280	Madison County, Montana	99927	0.8762	0.8605	-1.79
27290	Meagher County, Montana	99927	0.8762	0.8605	-1.79
27300	Mineral County, Montana	99927	0.8762	0.8605	-1.79
27310	Missoula County, Montana	33540	0.9473	0.8944	-5.58
27320	Musselshell County, Montana	99927	0.8762	0.8605	-1.79
27330	Park County, Montana	99927	0.8762	0.8605	-1.79
27340	Petroleum County, Montana	99927	0.8762	0.8605	-1.79
27350	Phillips County, Montana	99927	0.8762	0.8605	-1.79
27360	Pondera County, Montana	99927	0.8762	0.8605	-1.79
27370	Powder River County, Montana	99927	0.8762	0.8605	-1.79
27380	Powell County, Montana	99927	0.8762	0.8605	-1.79
27390	Prairie County, Montana	99927	0.8762	0.8605	-1.79
27400	Ravalli County, Montana	99927	0.8762	0.8605	-1.79
27410	Richland County, Montana	99927	0.8762	0.8605	-1.79
27420	Roosevelt County, Montana	99927	0.8762	0.8605	-1.79
27430	Rosebud County, Montana	99927	0.8762	0.8605	-1.79
27440	Sanders County, Montana	99927	0.8762	0.8605	-1.79
27450	Sheridan County, Montana	99927	0.8762	0.8605	-1.79
27460	Silver Bow County, Montana	99927	0.8762	0.8605	-1.79
27470	Stillwater County, Montana	99927	0.8762	0.8605	-1.79
27480	Sweet Grass County, Montana	99927	0.8762	0.8605	-1.79
27490	Teton County, Montana	99927	0.8762	0.8605	-1.79
27500	Toole County, Montana	99927	0.8762	0.8605	-1.79
27510	Treasure County, Montana	99927	0.8762	0.8605	-1.79
27520	Valley County, Montana	99927	0.8762	0.8605	-1.79
27530	Wheatland County, Montana	99927	0.8762	0.8605	-1.79
27540	Wibaux County, Montana	99927	0.8762	0.8605	-1.79
27550	Yellowstone County, Montana	13740	0.8834	0.8728	-1.20
28000	Adams County, Nebraska	99928	0.8657	0.8693	0.42
28010	Antelope County, Nebraska	99928	0.8657	0.8693	0.42
28020	Arthur County, Nebraska	99928	0.8657	0.8693	0.42
28030	Banner County, Nebraska	99928	0.8657	0.8693	0.42
28040	Blaine County, Nebraska	99928	0.8657	0.8693	0.42
28050	Boone County, Nebraska	99928	0.8657	0.8693	0.42
28060	Box Butte County, Nebraska	99928	0.8657	0.8693	0.42
28070	Boyd County, Nebraska	99928	0.8657	0.8693	0.42
28080	Brown County, Nebraska	99928	0.8657	0.8693	0.42
28090	Buffalo County, Nebraska	99928	0.8657	0.8693	0.42
28100	Burt County, Nebraska	99928	0.8657	0.8693	0.42
28110	Butler County, Nebraska	99928	0.8657	0.8693	0.42
28120	Cass County, Nebraska	36540	0.9560	0.9467	-0.97
28130	Cedar County, Nebraska	99928	0.8657	0.8693	0.42
28140	Chase County, Nebraska	99928	0.8657	0.8693	0.42
28150	Cherry County, Nebraska	99928	0.8657	0.8693	0.42
28160	Cheyenne County, Nebraska	99928	0.8657	0.8693	0.42
28170	Clay County, Nebraska	99928	0.8657	0.8693	0.42
28180	Colfax County, Nebraska	99928	0.8657	0.8693	0.42
28190	Cuming County, Nebraska	99928	0.8657	0.8693	0.42
28200	Custer County, Nebraska	99928	0.8657	0.8693	0.42
28210	Dakota County, Nebraska	43580	0.9399	0.9217	-1.94
28220	Dawes County, Nebraska	99928	0.8657	0.8693	0.42
28230	Dawson County, Nebraska	99928	0.8657	0.8693	0.42
28240	Deuel County, Nebraska	99928	0.8657	0.8693	0.42
28250	Dixon County, Nebraska	43580	0.9019	0.9217	2.20

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
28260	Dodge County, Nebraska	99928	0.8657	0.8693	0.42
28270	Douglas County, Nebraska	36540	0.9560	0.9467	-0.97
28280	Dundy County, Nebraska	99928	0.8657	0.8693	0.42
28290	Fillmore County, Nebraska	99928	0.8657	0.8693	0.42
28300	Franklin County, Nebraska	99928	0.8657	0.8693	0.42
28310	Frontier County, Nebraska	99928	0.8657	0.8693	0.42
28320	Furnas County, Nebraska	99928	0.8657	0.8693	0.42
28330	Gage County, Nebraska	99928	0.8657	0.8693	0.42
28340	Garden County, Nebraska	99928	0.8657	0.8693	0.42
28350	Garfield County, Nebraska	99928	0.8657	0.8693	0.42
28360	Gosper County, Nebraska	99928	0.8657	0.8693	0.42
28370	Grant County, Nebraska	99928	0.8657	0.8693	0.42
28380	Greeley County, Nebraska	99928	0.8657	0.8693	0.42
28390	Hall County, Nebraska	99928	0.8657	0.8693	0.42
28400	Hamilton County, Nebraska	99928	0.8657	0.8693	0.42
28410	Harlan County, Nebraska	99928	0.8657	0.8693	0.42
28420	Hayes County, Nebraska	99928	0.8657	0.8693	0.42
28430	Hitchcock County, Nebraska	99928	0.8657	0.8693	0.42
28440	Holt County, Nebraska	99928	0.8657	0.8693	0.42
28450	Hooker County, Nebraska	99928	0.8657	0.8693	0.42
28460	Howard County, Nebraska	99928	0.8657	0.8693	0.42
28470	Jefferson County, Nebraska	99928	0.8657	0.8693	0.42
28480	Johnson County, Nebraska	99928	0.8657	0.8693	0.42
28490	Kearney County, Nebraska	99928	0.8657	0.8693	0.42
28500	Keith County, Nebraska	99928	0.8657	0.8693	0.42
28510	Keya Paha County, Nebraska	99928	0.8657	0.8693	0.42
28520	Kimball County, Nebraska	99928	0.8657	0.8693	0.42
28530	Knox County, Nebraska	99928	0.8657	0.8693	0.42
28540	Lancaster County, Nebraska	30700	1.0214	1.0110	-1.02
28550	Lincoln County, Nebraska	99928	0.8657	0.8693	0.42
28560	Logan County, Nebraska	99928	0.8657	0.8693	0.42
28570	Loup County, Nebraska	99928	0.8657	0.8693	0.42
28580	Mc Pherson County, Nebraska	99928	0.8657	0.8693	0.42
28590	Madison County, Nebraska	99928	0.8657	0.8693	0.42
28600	Merrick County, Nebraska	99928	0.8657	0.8693	0.42
28610	Morrill County, Nebraska	99928	0.8657	0.8693	0.42
28620	Nance County, Nebraska	99928	0.8657	0.8693	0.42
28630	Nemaha County, Nebraska	99928	0.8657	0.8693	0.42
28640	Nuckolls County, Nebraska	99928	0.8657	0.8693	0.42
28650	Otoe County, Nebraska	99928	0.8657	0.8693	0.42
28660	Pawnee County, Nebraska	99928	0.8657	0.8693	0.42
28670	Perkins County, Nebraska	99928	0.8657	0.8693	0.42
28680	Phelps County, Nebraska	99928	0.8657	0.8693	0.42
28690	Pierce County, Nebraska	99928	0.8657	0.8693	0.42
28700	Platte County, Nebraska	99928	0.8657	0.8693	0.42
28710	Polk County, Nebraska	99928	0.8657	0.8693	0.42
28720	Redwillow County, Nebraska	99928	0.8657	0.8693	0.42
28730	Richardson County, Nebraska	99928	0.8657	0.8693	0.42
28740	Rock County, Nebraska	99928	0.8657	0.8693	0.42
28750	Saline County, Nebraska	99928	0.8657	0.8693	0.42
28760	Sarpy County, Nebraska	36540	0.9560	0.9467	-0.97
28770	Saunders County, Nebraska	36540	0.9109	0.9467	3.93
28780	Scotts Bluff County, Nebraska	99928	0.8657	0.8693	0.42
28790	Seward County, Nebraska	30700	0.9436	1.0110	7.14
28800	Sheridan County, Nebraska	99928	0.8657	0.8693	0.42
28810	Sherman County, Nebraska	99928	0.8657	0.8693	0.42
28820	Sioux County, Nebraska	99928	0.8657	0.8693	0.42
28830	Stanton County, Nebraska	99928	0.8657	0.8693	0.42
28840	Thayer County, Nebraska	99928	0.8657	0.8693	0.42
28850	Thomas County, Nebraska	99928	0.8657	0.8693	0.42
28860	Thurston County, Nebraska	99928	0.8657	0.8693	0.42
28870	Valley County, Nebraska	99928	0.8657	0.8693	0.42
28880	Washington County, Nebraska	36540	0.9560	0.9467	-0.97
28890	Wayne County, Nebraska	99928	0.8657	0.8693	0.42
28900	Webster County, Nebraska	99928	0.8657	0.8693	0.42
28910	Wheeler County, Nebraska	99928	0.8657	0.8693	0.42
28920	York County, Nebraska	99928	0.8657	0.8693	0.42

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
29000	Churchill County, Nevada	99929	0.9376	0.8960	-4.44
29010	Clark County, Nevada	29820	1.1296	1.1450	1.36
29020	Douglas County, Nevada	99929	0.9376	0.8960	-4.44
29030	Elko County, Nevada	99929	0.9376	0.8960	-4.44
29040	Esmeralda County, Nevada	99929	0.9376	0.8960	-4.44
29050	Eureka County, Nevada	99929	0.9376	0.8960	-4.44
29060	Humboldt County, Nevada	99929	0.9376	0.8960	-4.44
29070	Lander County, Nevada	99929	0.9376	0.8960	-4.44
29080	Lincoln County, Nevada	99929	0.9376	0.8960	-4.44
29090	Lyon County, Nevada	99929	0.9376	0.8960	-4.44
29100	Mineral County, Nevada	99929	0.9376	0.8960	-4.44
29110	Nye County, Nevada	99929	1.0110	0.8960	-11.37
29120	Carson City County, Nevada	16180	0.9961	1.0043	0.82
29130	Pershing County, Nevada	99929	0.9376	0.8960	-4.44
29140	Storey County, Nevada	39900	1.0335	1.1984	15.96
29150	Washoe County, Nevada	39900	1.0982	1.1984	9.12
29160	White Pine County, Nevada	99929	0.9376	0.8960	-4.44
30000	Belknap County, New Hampshire	99930	1.0817	1.0800	-0.16
30010	Carroll County, New Hampshire	99930	1.0817	1.0800	-0.16
30020	Cheshire County, New Hampshire	99930	1.0817	1.0800	-0.16
30030	Coos County, New Hampshire	99930	1.0817	1.0800	-0.16
30040	Grafton County, New Hampshire	99930	1.0817	1.0800	-0.16
30050	Hillsboro County, New Hampshire	31700	1.0766	1.0261	-4.69
30060	Merrimack County, New Hampshire	31700	1.0766	1.0261	-4.69
30070	Rockingham County, New Hampshire	40484	1.0776	1.0177	-5.56
30080	Strafford County, New Hampshire	40484	1.0776	1.0177	-5.56
30090	Sullivan County, New Hampshire	99930	1.0817	1.0800	-0.16
31000	Atlantic County, New Jersey	12100	1.1556	1.1751	1.69
31100	Bergen County, New Jersey	35644	1.2420	1.3208	6.34
31150	Burlington County, New Jersey	15804	1.0720	1.0411	-2.88
31160	Camden County, New Jersey	15804	1.0720	1.0411	-2.88
31180	Cape May County, New Jersey	36140	1.1254	1.0490	-6.79
31190	Cumberland County, New Jersey	47220	0.9827	0.9849	0.22
31200	Essex County, New Jersey	35084	1.1859	1.1890	0.26
31220	Gloucester County, New Jersey	15804	1.0720	1.0411	-2.88
31230	Hudson County, New Jersey	35644	1.2263	1.3208	7.71
31250	Hunterdon County, New Jersey	35084	1.1525	1.1890	3.17
31260	Mercer County, New Jersey	45940	1.0834	1.0877	0.40
31270	Middlesex County, New Jersey	20764	1.1208	1.1207	-0.01
31290	Monmouth County, New Jersey	20764	1.1255	1.1207	-0.43
31300	Morris County, New Jersey	35084	1.1859	1.1890	0.26
31310	Ocean County, New Jersey	20764	1.1255	1.1207	-0.43
31320	Passaic County, New Jersey	35644	1.2420	1.3208	6.34
31340	Salem County, New Jersey	48864	1.0697	1.0703	0.06
31350	Somerset County, New Jersey	20764	1.1208	1.1207	-0.01
31360	Sussex County, New Jersey	35084	1.1859	1.1890	0.26
31370	Union County, New Jersey	35084	1.1859	1.1890	0.26
31390	Warren County, New Jersey	10900	1.0826	0.9910	-8.46
32000	Bernalillo County, New Mexico	10740	0.9684	0.9474	-2.17
32010	Catron County, New Mexico	99932	0.8599	0.8347	-2.93
32020	Chaves County, New Mexico	99932	0.8599	0.8347	-2.93
32025	Cibola County, New Mexico	99932	0.8599	0.8347	-2.93
32030	Colfax County, New Mexico	99932	0.8599	0.8347	-2.93
32040	Curry County, New Mexico	99932	0.8599	0.8347	-2.93
32050	De Baca County, New Mexico	99932	0.8599	0.8347	-2.93
32060	Dona Ana County, New Mexico	29740	0.8467	0.9290	9.72
32070	Eddy County, New Mexico	99932	0.8599	0.8347	-2.93
32080	Grant County, New Mexico	99932	0.8599	0.8347	-2.93
32090	Guadalupe County, New Mexico	99932	0.8599	0.8347	-2.93
32100	Harding County, New Mexico	99932	0.8599	0.8347	-2.93
32110	Hidalgo County, New Mexico	99932	0.8599	0.8347	-2.93
32120	Lea County, New Mexico	99932	0.8599	0.8347	-2.93
32130	Lincoln County, New Mexico	99932	0.8599	0.8347	-2.93
32131	Los Alamos County, New Mexico	99932	0.9692	0.8347	-13.88
32140	Luna County, New Mexico	99932	0.8599	0.8347	-2.93
32150	Mc Kinley County, New Mexico	99932	0.8599	0.8347	-2.93
32160	Mora County, New Mexico	99932	0.8599	0.8347	-2.93

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
32170	Otero County, New Mexico	99932	0.8599	0.8347	-2.93
32180	Quay County, New Mexico	99932	0.8599	0.8347	-2.93
32190	Rio Arriba County, New Mexico	99932	0.8599	0.8347	-2.93
32200	Roosevelt County, New Mexico	99932	0.8599	0.8347	-2.93
32210	Sandoval County, New Mexico	10740	0.9684	0.9474	-2.17
32220	San Juan County, New Mexico	22140	0.8536	0.8604	0.80
32230	San Miguel County, New Mexico	99932	0.8599	0.8347	-2.93
32240	Santa Fe County, New Mexico	42140	1.0834	1.0843	0.08
32250	Sierra County, New Mexico	99932	0.8599	0.8347	-2.93
32260	Socorro County, New Mexico	99932	0.8599	0.8347	-2.93
32270	Taos County, New Mexico	99932	0.8599	0.8347	-2.93
32280	Torrance County, New Mexico	10740	0.9124	0.9474	3.84
32290	Union County, New Mexico	99932	0.8599	0.8347	-2.93
32300	Valencia County, New Mexico	10740	0.9684	0.9474	-2.17
33000	Albany County, New York	10580	0.8574	0.8735	1.88
33010	Allegany County, New York	99933	0.8275	0.8250	-0.30
33020	Bronx County, New York	35644	1.3326	1.3208	-0.89
33030	Broome County, New York	13780	0.8562	0.8798	2.76
33040	Cattaraugus County, New York	99933	0.8275	0.8250	-0.30
33050	Cayuga County, New York	99933	0.8823	0.8250	-6.49
33060	Chautauqua County, New York	99933	0.7849	0.8250	5.11
33070	Chemung County, New York	21300	0.8250	0.8213	-0.45
33080	Chenango County, New York	99933	0.8275	0.8250	-0.30
33090	Clinton County, New York	99933	0.8275	0.8250	-0.30
33200	Columbia County, New York	99933	0.8275	0.8250	-0.30
33210	Cortland County, New York	99933	0.8275	0.8250	-0.30
33220	Delaware County, New York	99933	0.8275	0.8250	-0.30
33230	Dutchess County, New York	39100	1.0683	1.0913	2.15
33240	Erie County, New York	15380	0.9511	0.9483	-0.29
33260	Essex County, New York	99933	0.8275	0.8250	-0.30
33270	Franklin County, New York	99933	0.8275	0.8250	-0.30
33280	Fulton County, New York	99933	0.8275	0.8250	-0.30
33290	Genesee County, New York	99933	0.8602	0.8250	-4.09
33300	Greene County, New York	99933	0.8275	0.8250	-0.30
33310	Hamilton County, New York	99933	0.8275	0.8250	-0.30
33320	Herkimer County, New York	46540	0.8358	0.8402	0.53
33330	Jefferson County, New York	99933	0.8275	0.8250	-0.30
33331	Kings County, New York	35644	1.3326	1.3208	-0.89
33340	Lewis County, New York	99933	0.8275	0.8250	-0.30
33350	Livingston County, New York	40380	0.9085	0.9005	-0.88
33360	Madison County, New York	45060	0.9533	0.9709	1.85
33370	Monroe County, New York	40380	0.9085	0.9005	-0.88
33380	Montgomery County, New York	99933	0.8357	0.8250	-1.28
33400	Nassau County, New York	35004	1.2719	1.2681	-0.30
33420	New York County, New York	35644	1.3326	1.3208	-0.89
33500	Niagara County, New York	15380	0.9511	0.9483	-0.29
33510	Oneida County, New York	46540	0.8358	0.8402	0.53
33520	Onondaga County, New York	45060	0.9533	0.9709	1.85
33530	Ontario County, New York	40380	0.9085	0.9005	-0.88
33540	Orange County, New York	39100	1.1049	1.0913	-1.23
33550	Orleans County, New York	40380	0.9085	0.9005	-0.88
33560	Oswego County, New York	45060	0.9533	0.9709	1.85
33570	Otsego County, New York	99933	0.8275	0.8250	-0.30
33580	Putnam County, New York	35644	1.3326	1.3208	-0.89
33590	Queens County, New York	35644	1.3326	1.3208	-0.89
33600	Rensselaer County, New York	10580	0.8574	0.8735	1.88
33610	Richmond County, New York	35644	1.3326	1.3208	-0.89
33620	Rockland County, New York	35644	1.3326	1.3208	-0.89
33630	St Lawrence County, New York	99933	0.8275	0.8250	-0.30
33640	Saratoga County, New York	10580	0.8574	0.8735	1.88
33650	Schenectady County, New York	10580	0.8574	0.8735	1.88
33660	Schoharie County, New York	10580	0.8574	0.8735	1.88
33670	Schuyler County, New York	99933	0.8275	0.8250	-0.30
33680	Seneca County, New York	99933	0.8275	0.8250	-0.30
33690	Steuben County, New York	99933	0.8275	0.8250	-0.30
33700	Suffolk County, New York	35004	1.2719	1.2681	-0.30
33710	Sullivan County, New York	99933	0.8275	0.8250	-0.30

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
33720	Tioga County, New York	13780	0.8562	0.8798	2.76
33730	Tompkins County, New York	27060	0.9094	0.9831	8.10
33740	Ulster County, New York	28740	0.8825	0.9383	6.32
33750	Warren County, New York	24020	0.8559	0.8339	-2.57
33760	Washington County, New York	24020	0.8559	0.8339	-2.57
33770	Wayne County, New York	40380	0.9085	0.9005	-0.88
33800	Westchester County, New York	35644	1.3326	1.3208	-0.89
33900	Wyoming County, New York	99933	0.8275	0.8250	-0.30
33910	Yates County, New York	99933	0.8275	0.8250	-0.30
34000	Alamance County, N Carolina	15500	0.8962	0.8689	-3.05
34010	Alexander County, N Carolina	25860	0.8921	0.9021	1.12
34020	Alleghany County, N Carolina	99934	0.8501	0.8599	1.15
34030	Anson County, N Carolina	16740	0.9106	0.9564	5.03
34040	Ashe County, N Carolina	99934	0.8501	0.8599	1.15
34050	Avery County, N Carolina	99934	0.8501	0.8599	1.15
34060	Beaufort County, N Carolina	99934	0.8501	0.8599	1.15
34070	Bertie County, N Carolina	99934	0.8501	0.8599	1.15
34080	Bladen County, N Carolina	99934	0.8501	0.8599	1.15
34090	Brunswick County, N Carolina	48900	0.9582	0.9853	2.83
34100	Buncombe County, N Carolina	11700	0.9511	0.9093	-4.39
34110	Burke County, N Carolina	25860	0.8921	0.9021	1.12
34120	Cabarrus County, N Carolina	16740	0.9733	0.9564	-1.74
34130	Caldwell County, N Carolina	25860	0.8921	0.9021	1.12
34140	Camden County, N Carolina	99934	0.8501	0.8599	1.15
34150	Carteret County, N Carolina	99934	0.8501	0.8599	1.15
34160	Caswell County, N Carolina	99934	0.8501	0.8599	1.15
34170	Catawba County, N Carolina	25860	0.8921	0.9021	1.12
34180	Chatham County, N Carolina	20500	1.0139	0.9843	-2.92
34190	Cherokee County, N Carolina	99934	0.8501	0.8599	1.15
34200	Chowan County, N Carolina	99934	0.8501	0.8599	1.15
34210	Clay County, N Carolina	99934	0.8501	0.8599	1.15
34220	Cleveland County, N Carolina	99934	0.8501	0.8599	1.15
34230	Columbus County, N Carolina	99934	0.8501	0.8599	1.15
34240	Craven County, N Carolina	99934	0.8501	0.8599	1.15
34250	Cumberland County, N Carolina	22180	0.9416	0.8961	-4.83
34251	Currituck County, N Carolina	47260	0.8799	0.8805	0.07
34270	Dare County, N Carolina	99934	0.8501	0.8599	1.15
34280	Davidson County, N Carolina	99934	0.8779	0.8599	-2.05
34290	Davie County, N Carolina	49180	0.8981	0.9293	3.47
34300	Duplin County, N Carolina	99934	0.8501	0.8599	1.15
34310	Durham County, N Carolina	20500	1.0139	0.9843	-2.92
34320	Edgecombe County, N Carolina	40580	0.8915	0.8869	-0.52
34330	Forsyth County, N Carolina	49180	0.8981	0.9293	3.47
34340	Franklin County, N Carolina	39580	0.9863	0.9879	0.16
34350	Gaston County, N Carolina	16740	0.9733	0.9564	-1.74
34360	Gates County, N Carolina	99934	0.8501	0.8599	1.15
34370	Graham County, N Carolina	99934	0.8501	0.8599	1.15
34380	Granville County, N Carolina	99934	0.8501	0.8599	1.15
34390	Greene County, N Carolina	24780	0.8944	0.9449	5.65
34400	Guilford County, N Carolina	24660	0.9061	0.8735	-3.60
34410	Halifax County, N Carolina	99934	0.8501	0.8599	1.15
34420	Harnett County, N Carolina	99934	0.8501	0.8599	1.15
34430	Haywood County, N Carolina	11700	0.8874	0.9093	2.47
34440	Henderson County, N Carolina	11700	0.8874	0.9093	2.47
34450	Hertford County, N Carolina	99934	0.8501	0.8599	1.15
34460	Hoke County, N Carolina	22180	0.8939	0.8961	0.25
34470	Hyde County, N Carolina	99934	0.8501	0.8599	1.15
34480	Iredell County, N Carolina	99934	0.8501	0.8599	1.15
34490	Jackson County, N Carolina	99934	0.8501	0.8599	1.15
34500	Johnston County, N Carolina	39580	0.9863	0.9879	0.16
34510	Jones County, N Carolina	99934	0.8501	0.8599	1.15
34520	Lee County, N Carolina	99934	0.8501	0.8599	1.15
34530	Lenoir County, N Carolina	99934	0.8501	0.8599	1.15
34540	Lincoln County, N Carolina	99934	0.9128	0.8599	-5.80
34550	Mc Dowell County, N Carolina	99934	0.8501	0.8599	1.15
34560	Macon County, N Carolina	99934	0.8501	0.8599	1.15
34570	Madison County, N Carolina	11700	0.9511	0.9093	-4.39

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
34580	Martin County, N Carolina	99934	0.8501	0.8599	1.15
34590	Mecklenburg County, N Carolina	16740	0.9733	0.9564	-1.74
34600	Mitchell County, N Carolina	99934	0.8501	0.8599	1.15
34610	Montgomery County, N Carolina	99934	0.8501	0.8599	1.15
34620	Moore County, N Carolina	99934	0.8501	0.8599	1.15
34630	Nash County, N Carolina	40580	0.8915	0.8869	-0.52
34640	New Hanover County, N Carolina	48900	0.9582	0.9853	2.83
34650	Northampton County, N Carolina	99934	0.8501	0.8599	1.15
34660	Onslow County, N Carolina	27340	0.8236	0.8245	0.11
34670	Orange County, N Carolina	20500	1.0139	0.9843	-2.92
34680	Pamlico County, N Carolina	99934	0.8501	0.8599	1.15
34690	Pasquotank County, N Carolina	99934	0.8501	0.8599	1.15
34700	Pender County, N Carolina	48900	0.9022	0.9853	9.21
34710	Perquimans County, N Carolina	99934	0.8501	0.8599	1.15
34720	Person County, N Carolina	20500	0.9353	0.9843	5.24
34730	Pitt County, N Carolina	24780	0.9425	0.9449	0.25
34740	Polk County, N Carolina	99934	0.8501	0.8599	1.15
34750	Randolph County, N Carolina	24660	0.9061	0.8735	-3.60
34760	Richmond County, N Carolina	99934	0.8501	0.8599	1.15
34770	Robeson County, N Carolina	99934	0.8501	0.8599	1.15
34780	Rockingham County, N Carolina	24660	0.8783	0.8735	-0.55
34790	Rowan County, N Carolina	99934	0.9128	0.8599	-5.80
34800	Rutherford County, N Carolina	99934	0.8501	0.8599	1.15
34810	Sampson County, N Carolina	99934	0.8501	0.8599	1.15
34820	Scotland County, N Carolina	99934	0.8501	0.8599	1.15
34830	Stanly County, N Carolina	99934	0.8501	0.8599	1.15
34840	Stokes County, N Carolina	49180	0.8981	0.9293	3.47
34850	Surry County, N Carolina	99934	0.8501	0.8599	1.15
34860	Swain County, N Carolina	99934	0.8501	0.8599	1.15
34870	Transylvania County, N Carolina	99934	0.8501	0.8599	1.15
34880	Tyrrell County, N Carolina	99934	0.8501	0.8599	1.15
34890	Union County, N Carolina	16740	0.9733	0.9564	-1.74
34900	Vance County, N Carolina	99934	0.8501	0.8599	1.15
34910	Wake County, N Carolina	39580	0.9863	0.9879	0.16
34920	Warren County, N Carolina	99934	0.8501	0.8599	1.15
34930	Washington County, N Carolina	99934	0.8501	0.8599	1.15
34940	Watauga County, N Carolina	99934	0.8501	0.8599	1.15
34950	Wayne County, N Carolina	24140	0.8775	0.9187	4.70
34960	Wilkes County, N Carolina	99934	0.8501	0.8599	1.15
34970	Wilson County, N Carolina	99934	0.8501	0.8599	1.15
34980	Yadkin County, N Carolina	49180	0.8981	0.9293	3.47
34981	Yancey County, N Carolina	99934	0.8501	0.8599	1.15
35000	Adams County, N Dakota	99935	0.7261	0.7228	-0.45
35010	Barnes County, N Dakota	99935	0.7261	0.7228	-0.45
35020	Benson County, N Dakota	99935	0.7261	0.7228	-0.45
35030	Billings County, N Dakota	99935	0.7261	0.7228	-0.45
35040	Bottineau County, N Dakota	99935	0.7261	0.7228	-0.45
35050	Bowman County, N Dakota	99935	0.7261	0.7228	-0.45
35060	Burke County, N Dakota	99935	0.7261	0.7228	-0.45
35070	Burleigh County, N Dakota	13900	0.7574	0.7253	-4.24
35080	Cass County, N Dakota	22020	0.8486	0.8265	-2.60
35090	Cavalier County, N Dakota	99935	0.7261	0.7228	-0.45
35100	Dickey County, N Dakota	99935	0.7261	0.7228	-0.45
35110	Divide County, N Dakota	99935	0.7261	0.7228	-0.45
35120	Dunn County, N Dakota	99935	0.7261	0.7228	-0.45
35130	Eddy County, N Dakota	99935	0.7261	0.7228	-0.45
35140	Emmons County, N Dakota	99935	0.7261	0.7228	-0.45
35150	Foster County, N Dakota	99935	0.7261	0.7228	-0.45
35160	Golden Valley County, N Dakota	99935	0.7261	0.7228	-0.45
35170	Grand Forks County, N Dakota	24220	0.7901	0.7963	0.78
35180	Grant County, N Dakota	99935	0.7261	0.7228	-0.45
35190	Griggs County, N Dakota	99935	0.7261	0.7228	-0.45
35200	Hettinger County, N Dakota	99935	0.7261	0.7228	-0.45
35210	Kidder County, N Dakota	99935	0.7261	0.7228	-0.45
35220	La Moure County, N Dakota	99935	0.7261	0.7228	-0.45
35230	Logan County, N Dakota	99935	0.7261	0.7228	-0.45
35240	Mc Henry County, N Dakota	99935	0.7261	0.7228	-0.45

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
35250	Mc Intosh County, N Dakota	99935	0.7261	0.7228	-0.45
35260	Mc Kenzie County, N Dakota	99935	0.7261	0.7228	-0.45
35270	Mc Lean County, N Dakota	99935	0.7261	0.7228	-0.45
35280	Mercer County, N Dakota	99935	0.7261	0.7228	-0.45
35290	Morton County, N Dakota	13900	0.7574	0.7253	-4.24
35300	Mountrail County, N Dakota	99935	0.7261	0.7228	-0.45
35310	Nelson County, N Dakota	99935	0.7261	0.7228	-0.45
35320	Oliver County, N Dakota	99935	0.7261	0.7228	-0.45
35330	Pembina County, N Dakota	99935	0.7261	0.7228	-0.45
35340	Pierce County, N Dakota	99935	0.7261	0.7228	-0.45
35350	Ramsey County, N Dakota	99935	0.7261	0.7228	-0.45
35360	Ransom County, N Dakota	99935	0.7261	0.7228	-0.45
35370	Renville County, N Dakota	99935	0.7261	0.7228	-0.45
35380	Richland County, N Dakota	99935	0.7261	0.7228	-0.45
35390	Rolette County, N Dakota	99935	0.7261	0.7228	-0.45
35400	Sargent County, N Dakota	99935	0.7261	0.7228	-0.45
35410	Sheridan County, N Dakota	99935	0.7261	0.7228	-0.45
35420	Sioux County, N Dakota	99935	0.7261	0.7228	-0.45
35430	Slope County, N Dakota	99935	0.7261	0.7228	-0.45
35440	Stark County, N Dakota	99935	0.7261	0.7228	-0.45
35450	Steele County, N Dakota	99935	0.7261	0.7228	-0.45
35460	Stutsman County, N Dakota	99935	0.7261	0.7228	-0.45
35470	Towner County, N Dakota	99935	0.7261	0.7228	-0.45
35480	Traill County, N Dakota	99935	0.7261	0.7228	-0.45
35490	Walsh County, N Dakota	99935	0.7261	0.7228	-0.45
35500	Ward County, N Dakota	99935	0.7261	0.7228	-0.45
35510	Wells County, N Dakota	99935	0.7261	0.7228	-0.45
35520	Williams County, N Dakota	99935	0.7261	0.7228	-0.45
36000	Adams County, Ohio	99936	0.8874	0.8674	-2.25
36010	Allen County, Ohio	30620	0.9172	0.9058	-1.24
36020	Ashland County, Ohio	99936	0.8874	0.8674	-2.25
36030	Ashtabula County, Ohio	99936	0.9005	0.8674	-3.68
36040	Athens County, Ohio	99936	0.8874	0.8674	-2.25
36050	Auglaize County, Ohio	99936	0.8973	0.8674	-3.33
36060	Belmont County, Ohio	48540	0.7161	0.7022	-1.94
36070	Brown County, Ohio	17140	0.9675	0.9617	-0.60
36080	Butler County, Ohio	17140	0.9283	0.9617	3.60
36090	Carroll County, Ohio	15940	0.8935	0.9047	1.25
36100	Champaign County, Ohio	99936	0.8874	0.8674	-2.25
36110	Clark County, Ohio	44220	0.8688	0.8462	-2.60
36120	Clermont County, Ohio	17140	0.9675	0.9617	-0.60
36130	Clinton County, Ohio	99936	0.8874	0.8674	-2.25
36140	Columbiana County, Ohio	99936	0.8837	0.8674	-1.84
36150	Coshocton County, Ohio	99936	0.8874	0.8674	-2.25
36160	Crawford County, Ohio	99936	0.9359	0.8674	-7.32
36170	Cuyahoga County, Ohio	17460	0.9198	0.9385	2.03
36190	Darke County, Ohio	99936	0.8874	0.8674	-2.25
36200	Defiance County, Ohio	99936	0.8874	0.8674	-2.25
36210	Delaware County, Ohio	18140	0.9867	1.0122	2.58
36220	Erie County, Ohio	41780	0.8970	0.9319	3.89
36230	Fairfield County, Ohio	18140	0.9867	1.0122	2.58
36240	Fayette County, Ohio	99936	0.8874	0.8674	-2.25
36250	Franklin County, Ohio	18140	0.9867	1.0122	2.58
36260	Fulton County, Ohio	45780	0.9574	0.9599	0.26
36270	Gallia County, Ohio	99936	0.8874	0.8674	-2.25
36280	Geauga County, Ohio	17460	0.9198	0.9385	2.03
36290	Greene County, Ohio	19380	0.9022	0.9053	0.34
36300	Guernsey County, Ohio	99936	0.8874	0.8674	-2.25
36310	Hamilton County, Ohio	17140	0.9675	0.9617	-0.60
36330	Hancock County, Ohio	99936	0.8874	0.8674	-2.25
36340	Hardin County, Ohio	99936	0.8874	0.8674	-2.25
36350	Harrison County, Ohio	99936	0.8874	0.8674	-2.25
36360	Henry County, Ohio	99936	0.8874	0.8674	-2.25
36370	Highland County, Ohio	99936	0.8874	0.8674	-2.25
36380	Hocking County, Ohio	99936	0.8874	0.8674	-2.25
36390	Holmes County, Ohio	99936	0.8874	0.8674	-2.25
36400	Huron County, Ohio	99936	0.8874	0.8674	-2.25

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
36410	Jackson County, Ohio	99936	0.8874	0.8674	-2.25
36420	Jefferson County, Ohio	48260	0.7819	0.8078	3.31
36430	Knox County, Ohio	99936	0.8874	0.8674	-2.25
36440	Lake County, Ohio	17460	0.9198	0.9385	2.03
36450	Lawrence County, Ohio	26580	0.9477	0.9013	-4.90
36460	Licking County, Ohio	18140	0.9867	1.0122	2.58
36470	Logan County, Ohio	99936	0.8874	0.8674	-2.25
36480	Lorain County, Ohio	17460	0.9198	0.9385	2.03
36490	Lucas County, Ohio	45780	0.9574	0.9599	0.26
36500	Madison County, Ohio	18140	0.9867	1.0122	2.58
36510	Mahoning County, Ohio	49660	0.8726	0.8817	1.04
36520	Marion County, Ohio	99936	0.8874	0.8674	-2.25
36530	Medina County, Ohio	17460	0.9198	0.9385	2.03
36540	Meigs County, Ohio	99936	0.8874	0.8674	-2.25
36550	Mercer County, Ohio	99936	0.8874	0.8674	-2.25
36560	Miami County, Ohio	19380	0.9022	0.9053	0.34
36570	Monroe County, Ohio	99936	0.8874	0.8674	-2.25
36580	Montgomery County, Ohio	19380	0.9022	0.9053	0.34
36590	Morgan County, Ohio	99936	0.8874	0.8674	-2.25
36600	Morrow County, Ohio	18140	0.9391	1.0122	7.78
36610	Muskingum County, Ohio	99936	0.8874	0.8674	-2.25
36620	Noble County, Ohio	99936	0.8874	0.8674	-2.25
36630	Ottawa County, Ohio	45780	0.9248	0.9599	3.80
36640	Paulding County, Ohio	99936	0.8874	0.8674	-2.25
36650	Perry County, Ohio	99936	0.8874	0.8674	-2.25
36660	Pickaway County, Ohio	18140	0.9867	1.0122	2.58
36670	Pike County, Ohio	99936	0.8874	0.8674	-2.25
36680	Portage County, Ohio	10420	0.8982	0.8639	-3.82
36690	Preble County, Ohio	19380	0.8993	0.9053	0.67
36700	Putnam County, Ohio	99936	0.8874	0.8674	-2.25
36710	Richland County, Ohio	31900	0.8902	0.9287	4.32
36720	Ross County, Ohio	99936	0.8874	0.8674	-2.25
36730	Sandusky County, Ohio	99936	0.8874	0.8674	-2.25
36740	Scioto County, Ohio	99936	0.8874	0.8674	-2.25
36750	Seneca County, Ohio	99936	0.8874	0.8674	-2.25
36760	Shelby County, Ohio	99936	0.8874	0.8674	-2.25
36770	Stark County, Ohio	15940	0.8935	0.9047	1.25
36780	Summit County, Ohio	10420	0.8982	0.8639	-3.82
36790	Trumbull County, Ohio	49660	0.8726	0.8817	1.04
36800	Tuscarawas County, Ohio	99936	0.8874	0.8674	-2.25
36810	Union County, Ohio	18140	0.9391	1.0122	7.78
36820	Van Wert County, Ohio	99936	0.8874	0.8674	-2.25
36830	Vinton County, Ohio	99936	0.8874	0.8674	-2.25
36840	Warren County, Ohio	17140	0.9675	0.9617	-0.60
36850	Washington County, Ohio	37620	0.8270	0.7940	-3.99
36860	Wayne County, Ohio	99936	0.8874	0.8674	-2.25
36870	Williams County, Ohio	99936	0.8874	0.8674	-2.25
36880	Wood County, Ohio	45780	0.9574	0.9599	0.26
36890	Wyandot County, Ohio	99936	0.8874	0.8674	-2.25
37000	Adair County, Oklahoma	99937	0.7512	0.7640	1.70
37010	Alfalfa County, Oklahoma	99937	0.7512	0.7640	1.70
37020	Atoka County, Oklahoma	99937	0.7512	0.7640	1.70
37030	Beaver County, Oklahoma	99937	0.7512	0.7640	1.70
37040	Beckham County, Oklahoma	99937	0.7512	0.7640	1.70
37050	Blaine County, Oklahoma	99937	0.7512	0.7640	1.70
37060	Bryan County, Oklahoma	99937	0.7512	0.7640	1.70
37070	Caddo County, Oklahoma	99937	0.7512	0.7640	1.70
37080	Canadian County, Oklahoma	36420	0.9028	0.8853	-1.94
37090	Carter County, Oklahoma	99937	0.7512	0.7640	1.70
37100	Cherokee County, Oklahoma	99937	0.7512	0.7640	1.70
37110	Choctaw County, Oklahoma	99937	0.7512	0.7640	1.70
37120	Cimarron County, Oklahoma	99937	0.7512	0.7640	1.70
37130	Cleveland County, Oklahoma	36420	0.9028	0.8853	-1.94
37140	Coal County, Oklahoma	99937	0.7512	0.7640	1.70
37150	Comanche County, Oklahoma	30020	0.7872	0.8080	2.64
37160	Cotton County, Oklahoma	99937	0.7512	0.7640	1.70
37170	Craig County, Oklahoma	99937	0.7512	0.7640	1.70

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
37180	Creek County, Oklahoma	46140	0.8565	0.8104	-5.38
37190	Custer County, Oklahoma	99937	0.7512	0.7640	1.70
37200	Delaware County, Oklahoma	99937	0.7512	0.7640	1.70
37210	Dewey County, Oklahoma	99937	0.7512	0.7640	1.70
37220	Ellis County, Oklahoma	99937	0.7512	0.7640	1.70
37230	Garfield County, Oklahoma	99937	0.8124	0.7640	-5.96
37240	Garvin County, Oklahoma	99937	0.7512	0.7640	1.70
37250	Grady County, Oklahoma	36420	0.8237	0.8853	7.48
37260	Grant County, Oklahoma	99937	0.7512	0.7640	1.70
37270	Greer County, Oklahoma	99937	0.7512	0.7640	1.70
37280	Harmon County, Oklahoma	99937	0.7512	0.7640	1.70
37290	Harper County, Oklahoma	99937	0.7512	0.7640	1.70
37300	Haskell County, Oklahoma	99937	0.7512	0.7640	1.70
37310	Hughes County, Oklahoma	99937	0.7512	0.7640	1.70
37320	Jackson County, Oklahoma	99937	0.7512	0.7640	1.70
37330	Jefferson County, Oklahoma	99937	0.7512	0.7640	1.70
37340	Johnston County, Oklahoma	99937	0.7512	0.7640	1.70
37350	Kay County, Oklahoma	99937	0.7512	0.7640	1.70
37360	Kingfisher County, Oklahoma	99937	0.7512	0.7640	1.70
37370	Kiowa County, Oklahoma	99937	0.7512	0.7640	1.70
37380	Latimer County, Oklahoma	99937	0.7512	0.7640	1.70
37390	Le Flore County, Oklahoma	22900	0.7836	0.7745	-1.16
37400	Lincoln County, Oklahoma	36420	0.8237	0.8853	7.48
37410	Logan County, Oklahoma	36420	0.9028	0.8853	-1.94
37420	Love County, Oklahoma	99937	0.7512	0.7640	1.70
37430	Mc Clain County, Oklahoma	36420	0.9028	0.8853	-1.94
37440	Mc Curtain County, Oklahoma	99937	0.7512	0.7640	1.70
37450	Mc Intosh County, Oklahoma	99937	0.7512	0.7640	1.70
37460	Major County, Oklahoma	99937	0.7512	0.7640	1.70
37470	Marshall County, Oklahoma	99937	0.7512	0.7640	1.70
37480	Mayes County, Oklahoma	99937	0.7512	0.7640	1.70
37490	Murray County, Oklahoma	99937	0.7512	0.7640	1.70
37500	Muskogee County, Oklahoma	99937	0.7512	0.7640	1.70
37510	Noble County, Oklahoma	99937	0.7512	0.7640	1.70
37520	Nowata County, Oklahoma	99937	0.7512	0.7640	1.70
37530	Okfuskee County, Oklahoma	99937	0.7512	0.7640	1.70
37540	Oklahoma County, Oklahoma	36420	0.9028	0.8853	-1.94
37550	Okmulgee County, Oklahoma	46140	0.7993	0.8104	1.39
37560	Osage County, Oklahoma	46140	0.8565	0.8104	-5.38
37570	Ottawa County, Oklahoma	99937	0.7512	0.7640	1.70
37580	Pawnee County, Oklahoma	46140	0.7993	0.8104	1.39
37590	Payne County, Oklahoma	99937	0.7512	0.7640	1.70
37600	Pittsburg County, Oklahoma	99937	0.7512	0.7640	1.70
37610	Pontotoc County, Oklahoma	99937	0.7512	0.7640	1.70
37620	Pottawatomie County, Oklahoma	99937	0.8303	0.7640	-7.99
37630	Pushmataha County, Oklahoma	99937	0.7512	0.7640	1.70
37640	Roger Mills County, Oklahoma	99937	0.7512	0.7640	1.70
37650	Rogers County, Oklahoma	46140	0.8565	0.8104	-5.38
37660	Seminole County, Oklahoma	99937	0.7512	0.7640	1.70
37670	Sequoyah County, Oklahoma	22900	0.8238	0.7745	-5.98
37680	Stephens County, Oklahoma	99937	0.7512	0.7640	1.70
37690	Texas County, Oklahoma	99937	0.7512	0.7640	1.70
37700	Tillman County, Oklahoma	99937	0.7512	0.7640	1.70
37710	Tulsa County, Oklahoma	46140	0.8565	0.8104	-5.38
37720	Wagoner County, Oklahoma	46140	0.8565	0.8104	-5.38
37730	Washington County, Oklahoma	99937	0.7512	0.7640	1.70
37740	Washita County, Oklahoma	99937	0.7512	0.7640	1.70
37750	Woods County, Oklahoma	99937	0.7512	0.7640	1.70
37760	Woodward County, Oklahoma	99937	0.7512	0.7640	1.70
38000	Baker County, Oregon	99938	0.9939	0.9770	-1.70
38010	Benton County, Oregon	18700	1.0729	1.1566	7.80
38020	Clackamas County, Oregon	38900	1.1266	1.1436	1.51
38030	Clatsop County, Oregon	99938	0.9939	0.9770	-1.70
38040	Columbia County, Oregon	38900	1.1266	1.1436	1.51
38050	Coos County, Oregon	99938	0.9939	0.9770	-1.70
38060	Crook County, Oregon	99938	0.9939	0.9770	-1.70
38070	Curry County, Oregon	99938	0.9939	0.9770	-1.70

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
38080	Deschutes County, Oregon	13460	1.0419	1.0762	3.29
38090	Douglas County, Oregon	99938	0.9939	0.9770	-1.70
38100	Gilliam County, Oregon	99938	0.9939	0.9770	-1.70
38110	Grant County, Oregon	99938	0.9939	0.9770	-1.70
38120	Harney County, Oregon	99938	0.9939	0.9770	-1.70
38130	Hood River County, Oregon	99938	0.9939	0.9770	-1.70
38140	Jackson County, Oregon	32780	1.0225	1.0837	5.99
38150	Jefferson County, Oregon	99938	0.9939	0.9770	-1.70
38160	Josephine County, Oregon	99938	0.9939	0.9770	-1.70
38170	Klamath County, Oregon	99938	0.9939	0.9770	-1.70
38180	Lake County, Oregon	99938	0.9939	0.9770	-1.70
38190	Lane County, Oregon	21660	1.0818	1.0896	0.72
38200	Lincoln County, Oregon	99938	0.9939	0.9770	-1.70
38210	Linn County, Oregon	99938	0.9939	0.9770	-1.70
38220	Malheur County, Oregon	99938	0.9939	0.9770	-1.70
38230	Marion County, Oregon	41420	1.0442	1.0457	0.14
38240	Morrow County, Oregon	99938	0.9939	0.9770	-1.70
38250	Multnomah County, Oregon	38900	1.1266	1.1436	1.51
38260	Polk County, Oregon	41420	1.0442	1.0457	0.14
38270	Sherman County, Oregon	99938	0.9939	0.9770	-1.70
38280	Tillamook County, Oregon	99938	0.9939	0.9770	-1.70
38290	Umatilla County, Oregon	99938	0.9939	0.9770	-1.70
38300	Union County, Oregon	99938	0.9939	0.9770	-1.70
38310	Wallowa County, Oregon	99938	0.9939	0.9770	-1.70
38320	Wasco County, Oregon	99938	0.9939	0.9770	-1.70
38330	Washington County, Oregon	38900	1.1266	1.1436	1.51
38340	Wheeler County, Oregon	99938	0.9939	0.9770	-1.70
38350	Yamhill County, Oregon	38900	1.1266	1.1436	1.51
39000	Adams County, Pennsylvania	99939	0.8305	0.8332	0.33
39010	Allegheny County, Pennsylvania	38300	0.8853	0.8685	-1.90
39070	Armstrong County, Pennsylvania	38300	0.8582	0.8685	1.20
39080	Beaver County, Pennsylvania	38300	0.8853	0.8685	-1.90
39100	Bedford County, Pennsylvania	99939	0.8305	0.8332	0.33
39110	Berks County, Pennsylvania	39740	0.9686	0.9639	-0.49
39120	Blair County, Pennsylvania	11020	0.8944	0.8727	-2.43
39130	Bradford County, Pennsylvania	99939	0.8305	0.8332	0.33
39140	Bucks County, Pennsylvania	37964	1.0980	1.1018	0.35
39150	Butler County, Pennsylvania	38300	0.8853	0.8685	-1.90
39160	Cambria County, Pennsylvania	27780	0.8220	0.8635	5.05
39180	Cameron County, Pennsylvania	99939	0.8305	0.8332	0.33
39190	Carbon County, Pennsylvania	10900	0.9832	0.9910	0.79
39200	Centre County, Pennsylvania	44300	0.8356	0.8799	5.30
39210	Chester County, Pennsylvania	37964	1.0980	1.1018	0.35
39220	Clarion County, Pennsylvania	99939	0.8305	0.8332	0.33
39230	Clearfield County, Pennsylvania	99939	0.8305	0.8332	0.33
39240	Clinton County, Pennsylvania	99939	0.8305	0.8332	0.33
39250	Columbia County, Pennsylvania	99939	0.8408	0.8332	-0.90
39260	Crawford County, Pennsylvania	99939	0.8305	0.8332	0.33
39270	Cumberland County, Pennsylvania	25420	0.9273	0.9419	1.57
39280	Dauphin County, Pennsylvania	25420	0.9273	0.9419	1.57
39290	Delaware County, Pennsylvania	37964	1.0980	1.1018	0.35
39310	Elk County, Pennsylvania	99939	0.8305	0.8332	0.33
39320	Erie County, Pennsylvania	21500	0.8737	0.8704	-0.38
39330	Fayette County, Pennsylvania	38300	0.8853	0.8685	-1.90
39340	Forest County, Pennsylvania	99939	0.8305	0.8332	0.33
39350	Franklin County, Pennsylvania	99939	0.8305	0.8332	0.33
39360	Fulton County, Pennsylvania	99939	0.8305	0.8332	0.33
39370	Greene County, Pennsylvania	99939	0.8305	0.8332	0.33
39380	Huntingdon County, Pennsylvania	99939	0.8305	0.8332	0.33
39390	Indiana County, Pennsylvania	99939	0.8305	0.8332	0.33
39400	Jefferson County, Pennsylvania	99939	0.8305	0.8332	0.33
39410	Juniata County, Pennsylvania	99939	0.8305	0.8332	0.33
39420	Lackawanna County, Pennsylvania	42540	0.8532	0.8521	-0.13
39440	Lancaster County, Pennsylvania	29540	0.9694	0.9644	-0.52
39450	Lawrence County, Pennsylvania	99939	0.8305	0.8332	0.33
39460	Lebanon County, Pennsylvania	30140	0.8846	0.8695	-1.71
39470	Lehigh County, Pennsylvania	10900	0.9832	0.9910	0.79

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
39480	Luzerne County, Pennsylvania	42540	0.8532	0.8521	-0.13
39510	Lycoming County, Pennsylvania	48700	0.8364	0.8126	-2.85
39520	Mc Kean County, Pennsylvania	99939	0.8305	0.8332	0.33
39530	Mercer County, Pennsylvania	49660	0.8198	0.8817	7.55
39540	Mifflin County, Pennsylvania	99939	0.8305	0.8332	0.33
39550	Monroe County, Pennsylvania	99939	0.8305	0.8332	0.33
39560	Montgomery County, Pennsylvania	37964	1.0980	1.1018	0.35
39580	Montour County, Pennsylvania	99939	0.8305	0.8332	0.33
39590	Northampton County, Pennsylvania	10900	0.9832	0.9910	0.79
39600	Northumberland County, Pennsylvania	99939	0.8305	0.8332	0.33
39610	Perry County, Pennsylvania	25420	0.9273	0.9419	1.57
39620	Philadelphia County, Pennsylvania	37964	1.0980	1.1018	0.35
39630	Pike County, Pennsylvania	35084	1.1545	1.1890	2.99
39640	Potter County, Pennsylvania	99939	0.8305	0.8332	0.33
39650	Schuylkill County, Pennsylvania	99939	0.8305	0.8332	0.33
39670	Snyder County, Pennsylvania	99939	0.8305	0.8332	0.33
39680	Somerset County, Pennsylvania	99939	0.8189	0.8332	1.75
39690	Sullivan County, Pennsylvania	99939	0.8305	0.8332	0.33
39700	Susquehanna County, Pennsylvania	99939	0.8305	0.8332	0.33
39710	Tioga County, Pennsylvania	99939	0.8305	0.8332	0.33
39720	Union County, Pennsylvania	99939	0.8305	0.8332	0.33
39730	Venango County, Pennsylvania	99939	0.8305	0.8332	0.33
39740	Warren County, Pennsylvania	99939	0.8305	0.8332	0.33
39750	Washington County, Pennsylvania	38300	0.8853	0.8685	-1.90
39760	Wayne County, Pennsylvania	99939	0.8305	0.8332	0.33
39770	Westmoreland County, Pennsylvania	38300	0.8853	0.8685	-1.90
39790	Wyoming County, Pennsylvania	42540	0.8532	0.8521	-0.13
39800	York County, Pennsylvania	49620	0.9347	0.9414	0.72
40010	Adjuntas County, Puerto Rico	99940	0.3826	0.4047	5.78
40020	Aguada County, Puerto Rico	10380	0.4807	0.3922	-18.41
40030	Aguadilla County, Puerto Rico	10380	0.4807	0.3922	-18.41
40040	Aguas Buenas County, Puerto Rico	41980	0.4687	0.4397	-6.19
40050	Aibonito County, Puerto Rico	41980	0.4113	0.4397	6.90
40060	Anasco County, Puerto Rico	10380	0.4491	0.3922	-12.67
40070	Arecibo County, Puerto Rico	41980	0.4367	0.4397	0.69
40080	Arroyo County, Puerto Rico	25020	0.3393	0.3241	-4.48
40090	Barceloneta County, Puerto Rico	41980	0.4687	0.4397	-6.19
40100	Barranquitas County, Puerto Rico	41980	0.4113	0.4397	6.90
40110	Bayamon County, Puerto Rico	41980	0.4687	0.4397	-6.19
40120	Cabo Rojo County, Puerto Rico	41900	0.4447	0.4893	10.03
40130	Caguas County, Puerto Rico	41980	0.4371	0.4397	0.59
40140	Camuy County, Puerto Rico	41980	0.4367	0.4397	0.69
40145	Canovanas County, Puerto Rico	41980	0.4687	0.4397	-6.19
40150	Carolina County, Puerto Rico	41980	0.4687	0.4397	-6.19
40160	Catano County, Puerto Rico	41980	0.4687	0.4397	-6.19
40170	Cayey County, Puerto Rico	41980	0.4371	0.4397	0.59
40180	Ceiba County, Puerto Rico	21940	0.4453	0.4044	-9.18
40190	Ciales County, Puerto Rico	41980	0.4113	0.4397	6.90
40200	Cidra County, Puerto Rico	41980	0.4371	0.4397	0.59
40210	Coamo County, Puerto Rico	99940	0.3826	0.4047	5.78
40220	Comerio County, Puerto Rico	41980	0.4687	0.4397	-6.19
40230	Corozal County, Puerto Rico	41980	0.4687	0.4397	-6.19
40240	Culebra County, Puerto Rico	99940	0.3826	0.4047	5.78
40250	Dorado County, Puerto Rico	41980	0.4687	0.4397	-6.19
40260	Fajardo County, Puerto Rico	21940	0.4453	0.4044	-9.18
40265	Florida County, Puerto Rico	41980	0.4687	0.4397	-6.19
40270	Guanica County, Puerto Rico	49500	0.4006	0.3861	-3.62
40280	Guayama County, Puerto Rico	25020	0.3393	0.3241	-4.48
40290	Guayanilla County, Puerto Rico	49500	0.4645	0.3861	-16.88
40300	Guaynabo County, Puerto Rico	41980	0.4687	0.4397	-6.19
40310	Gurabo County, Puerto Rico	41980	0.4371	0.4397	0.59
40320	Hatillo County, Puerto Rico	41980	0.4367	0.4397	0.69
40330	Hormigueros County, Puerto Rico	32420	0.4132	0.3857	-6.66
40340	Humacao County, Puerto Rico	41980	0.4687	0.4397	-6.19
40350	Isabela County, Puerto Rico	10380	0.4171	0.3922	-5.97
40360	Jayuya County, Puerto Rico	99940	0.3826	0.4047	5.78
40370	Juana Diaz County, Puerto Rico	38660	0.4910	0.4851	-1.20

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
40380	Juncos County, Puerto Rico	41980	0.4687	0.4397	-6.19
40390	Lajas County, Puerto Rico	41900	0.4127	0.4893	18.56
40400	Lares County, Puerto Rico	10380	0.4171	0.3922	-5.97
40410	Las Marias County, Puerto Rico	99940	0.3826	0.4047	5.78
40420	Las Piedras County, Puerto Rico	41980	0.4687	0.4397	-6.19
40430	Loiza County, Puerto Rico	41980	0.4687	0.4397	-6.19
40440	Luquillo County, Puerto Rico	21940	0.4453	0.4044	-9.18
40450	Manati County, Puerto Rico	41980	0.4687	0.4397	-6.19
40460	Maricao County, Puerto Rico	99940	0.3826	0.4047	5.78
40470	Maunabo County, Puerto Rico	41980	0.4113	0.4397	6.90
40480	Mayaguez County, Puerto Rico	32420	0.4132	0.3857	-6.66
40490	Moca County, Puerto Rico	10380	0.4807	0.3922	-18.41
40500	Morovis County, Puerto Rico	41980	0.4687	0.4397	-6.19
40510	Naguabo County, Puerto Rico	41980	0.4687	0.4397	-6.19
40520	Naranjito County, Puerto Rico	41980	0.4687	0.4397	-6.19
40530	Orocovis County, Puerto Rico	41980	0.4113	0.4397	6.90
40540	Patillas County, Puerto Rico	25020	0.3393	0.3241	-4.48
40550	Penuelas County, Puerto Rico	49500	0.4645	0.3861	-16.88
40560	Ponce County, Puerto Rico	38660	0.4910	0.4851	-1.20
40570	Quebradillas County, Puerto Rico	41980	0.4113	0.4397	6.90
40580	Rincon County, Puerto Rico	10380	0.4171	0.3922	-5.97
40590	Rio Grande County, Puerto Rico	41980	0.4687	0.4397	-6.19
40610	Sabana Grande County, Puerto Rico	41900	0.4447	0.4893	10.03
40620	Salinas County, Puerto Rico	99940	0.3826	0.4047	5.78
40630	San German County, Puerto Rico	41900	0.4447	0.4893	10.03
40640	San Juan County, Puerto Rico	41980	0.4687	0.4397	-6.19
40650	San Lorenzo County, Puerto Rico	41980	0.4371	0.4397	0.59
40660	San Sebastian County, Puerto Rico	10380	0.4171	0.3922	-5.97
40670	Santa Isabel County, Puerto Rico	99940	0.3826	0.4047	5.78
40680	Toa Alta County, Puerto Rico	41980	0.4687	0.4397	-6.19
40690	Toa Baja County, Puerto Rico	41980	0.4687	0.4397	-6.19
40700	Trujillo Alto County, Puerto Rico	41980	0.4687	0.4397	-6.19
40710	Utuado County, Puerto Rico	99940	0.3826	0.4047	5.78
40720	Vega Alta County, Puerto Rico	41980	0.4687	0.4397	-6.19
40730	Vega Baja County, Puerto Rico	41980	0.4687	0.4397	-6.19
40740	Vieques County, Puerto Rico	99940	0.3826	0.4047	5.78
40750	Villalba County, Puerto Rico	38660	0.4910	0.4851	-1.20
40760	Yabucoa County, Puerto Rico	41980	0.4687	0.4397	-6.19
40770	Yauco County, Puerto Rico	49500	0.4645	0.3861	-16.88
41000	Bristol County, Rhode Island	39300	1.1012	1.0804	-1.89
41010	Kent County, Rhode Island	39300	1.1012	1.0804	-1.89
41020	Newport County, Rhode Island	39300	1.1012	1.0804	-1.89
41030	Providence County, Rhode Island	39300	1.1012	1.0804	-1.89
41050	Washington County, Rhode Island	39300	1.1012	1.0804	-1.89
42000	Abbeville County, S Carolina	99942	0.8635	0.8583	-0.60
42010	Aiken County, S Carolina	12260	0.9778	0.9678	-1.02
42020	Allendale County, S Carolina	99942	0.8635	0.8583	-0.60
42030	Anderson County, S Carolina	11340	0.9306	0.8959	-3.73
42040	Bamberg County, S Carolina	99942	0.8635	0.8583	-0.60
42050	Barnwell County, S Carolina	99942	0.8635	0.8583	-0.60
42060	Beaufort County, S Carolina	99942	0.8635	0.8583	-0.60
42070	Berkeley County, S Carolina	16700	0.9245	0.9156	-0.96
42080	Calhoun County, S Carolina	17900	0.8844	0.8028	-9.23
42090	Charleston County, S Carolina	16700	0.9245	0.9156	-0.96
42100	Cherokee County, S Carolina	99942	0.9127	0.8583	-5.96
42110	Chester County, S Carolina	99942	0.8635	0.8583	-0.60
42120	Chesterfield County, S Carolina	99942	0.8635	0.8583	-0.60
42130	Clarendon County, S Carolina	99942	0.8635	0.8583	-0.60
42140	Colleton County, S Carolina	99942	0.8635	0.8583	-0.60
42150	Darlington County, S Carolina	22500	0.8789	0.8421	-4.19
42160	Dillon County, S Carolina	99942	0.8635	0.8583	-0.60
42170	Dorchester County, S Carolina	16700	0.9245	0.9156	-0.96
42180	Edgefield County, S Carolina	12260	0.9778	0.9678	-1.02
42190	Fairfield County, S Carolina	17900	0.8844	0.8028	-9.23
42200	Florence County, S Carolina	22500	0.8995	0.8421	-6.38
42210	Georgetown County, S Carolina	99942	0.8635	0.8583	-0.60
42220	Greenville County, S Carolina	24860	0.9821	0.9733	-0.90

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
42230	Greenwood County, S Carolina	99942	0.8635	0.8583	-0.60
42240	Hampton County, S Carolina	99942	0.8635	0.8583	-0.60
42250	Horry County, S Carolina	34820	0.8934	0.8824	-1.23
42260	Jasper County, S Carolina	99942	0.8635	0.8583	-0.60
42270	Kershaw County, S Carolina	17900	0.8844	0.8028	-9.23
42280	Lancaster County, S Carolina	99942	0.8635	0.8583	-0.60
42290	Laurens County, S Carolina	24860	0.9329	0.9733	4.33
42300	Lee County, S Carolina	99942	0.8635	0.8583	-0.60
42310	Lexington County, S Carolina	17900	0.9070	0.8028	-11.49
42320	Mc Cormick County, S Carolina	99942	0.8635	0.8583	-0.60
42330	Marion County, S Carolina	99942	0.8635	0.8583	-0.60
42340	Marlboro County, S Carolina	99942	0.8635	0.8583	-0.60
42350	Newberry County, S Carolina	99942	0.8635	0.8583	-0.60
42360	Oconee County, S Carolina	99942	0.8635	0.8583	-0.60
42370	Orangeburg County, S Carolina	99942	0.8635	0.8583	-0.60
42380	Pickens County, S Carolina	24860	0.9821	0.9733	-0.90
42390	Richland County, S Carolina	17900	0.9070	0.8028	-11.49
42400	Saluda County, S Carolina	17900	0.8844	0.8028	-9.23
42410	Spartanburg County, S Carolina	43900	0.9394	0.9190	-2.17
42420	Sumter County, S Carolina	44940	0.8377	0.8098	-3.33
42430	Union County, S Carolina	99942	0.8635	0.8583	-0.60
42440	Williamsburg County, S Carolina	99942	0.8635	0.8583	-0.60
42450	York County, S Carolina	16740	0.9733	0.9564	-1.74
43010	Aurora County, S Dakota	99943	0.8556	0.8496	-0.70
43020	Beadle County, S Dakota	99943	0.8556	0.8496	-0.70
43030	Bennett County, S Dakota	99943	0.8556	0.8496	-0.70
43040	Bon Homme County, S Dakota	99943	0.8556	0.8496	-0.70
43050	Brookings County, S Dakota	99943	0.8556	0.8496	-0.70
43060	Brown County, S Dakota	99943	0.8556	0.8496	-0.70
43070	Brule County, S Dakota	99943	0.8556	0.8496	-0.70
43080	Buffalo County, S Dakota	99943	0.8556	0.8496	-0.70
43090	Butte County, S Dakota	99943	0.8556	0.8496	-0.70
43100	Campbell County, S Dakota	99943	0.8556	0.8496	-0.70
43110	Charles Mix County, S Dakota	99943	0.8556	0.8496	-0.70
43120	Clark County, S Dakota	99943	0.8556	0.8496	-0.70
43130	Clay County, S Dakota	99943	0.8556	0.8496	-0.70
43140	Codington County, S Dakota	99943	0.8556	0.8496	-0.70
43150	Corson County, S Dakota	99943	0.8556	0.8496	-0.70
43160	Custer County, S Dakota	99943	0.8556	0.8496	-0.70
43170	Davison County, S Dakota	99943	0.8556	0.8496	-0.70
43180	Day County, S Dakota	99943	0.8556	0.8496	-0.70
43190	Deuel County, S Dakota	99943	0.8556	0.8496	-0.70
43200	Dewey County, S Dakota	99943	0.8556	0.8496	-0.70
43210	Douglas County, S Dakota	99943	0.8556	0.8496	-0.70
43220	Edmunds County, S Dakota	99943	0.8556	0.8496	-0.70
43230	Fall River County, S Dakota	99943	0.8556	0.8496	-0.70
43240	Faulk County, S Dakota	99943	0.8556	0.8496	-0.70
43250	Grant County, S Dakota	99943	0.8556	0.8496	-0.70
43260	Gregory County, S Dakota	99943	0.8556	0.8496	-0.70
43270	Haakon County, S Dakota	99943	0.8556	0.8496	-0.70
43280	Hamlin County, S Dakota	99943	0.8556	0.8496	-0.70
43290	Hand County, S Dakota	99943	0.8556	0.8496	-0.70
43300	Hanson County, S Dakota	99943	0.8556	0.8496	-0.70
43310	Harding County, S Dakota	99943	0.8556	0.8496	-0.70
43320	Hughes County, S Dakota	99943	0.8556	0.8496	-0.70
43330	Hutchinson County, S Dakota	99943	0.8556	0.8496	-0.70
43340	Hyde County, S Dakota	99943	0.8556	0.8496	-0.70
43350	Jackson County, S Dakota	99943	0.8556	0.8496	-0.70
43360	Jerauld County, S Dakota	99943	0.8556	0.8496	-0.70
43370	Jones County, S Dakota	99943	0.8556	0.8496	-0.70
43380	Kingsbury County, S Dakota	99943	0.8556	0.8496	-0.70
43390	Lake County, S Dakota	99943	0.8556	0.8496	-0.70
43400	Lawrence County, S Dakota	99943	0.8556	0.8496	-0.70
43410	Lincoln County, S Dakota	43620	0.9635	0.9587	-0.50
43420	Lyman County, S Dakota	99943	0.8556	0.8496	-0.70
43430	Mc Cook County, S Dakota	43620	0.9093	0.9587	5.43
43440	Mc Pherson County, S Dakota	99943	0.8556	0.8496	-0.70

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
43450	Marshall County, S Dakota	99943	0.8556	0.8496	-0.70
43460	Meade County, S Dakota	39660	0.8769	1.0351	18.04
43470	Mellette County, S Dakota	99943	0.8556	0.8496	-0.70
43480	Miner County, S Dakota	99943	0.8556	0.8496	-0.70
43490	Minnehaha County, S Dakota	43620	0.9635	0.9587	-0.50
43500	Moody County, S Dakota	99943	0.8556	0.8496	-0.70
43510	Pennington County, S Dakota	39660	0.8987	1.0351	15.18
43520	Perkins County, S Dakota	99943	0.8556	0.8496	-0.70
43530	Potter County, S Dakota	99943	0.8556	0.8496	-0.70
43540	Roberts County, S Dakota	99943	0.8556	0.8496	-0.70
43550	Sanborn County, S Dakota	99943	0.8556	0.8496	-0.70
43560	Shannon County, S Dakota	99943	0.8556	0.8496	-0.70
43570	Spink County, S Dakota	99943	0.8556	0.8496	-0.70
43580	Stanley County, S Dakota	99943	0.8556	0.8496	-0.70
43590	Sully County, S Dakota	99943	0.8556	0.8496	-0.70
43600	Todd County, S Dakota	99943	0.8556	0.8496	-0.70
43610	Tripp County, S Dakota	99943	0.8556	0.8496	-0.70
43620	Turner County, S Dakota	43620	0.9093	0.9587	5.43
43630	Union County, S Dakota	43580	0.8966	0.9217	2.80
43640	Walworth County, S Dakota	99943	0.8556	0.8496	-0.70
43650	Washabaugh County, S Dakota	99943	0.8556	0.8496	-0.70
43670	Yankton County, S Dakota	99943	0.8556	0.8496	-0.70
43680	Ziebach County, S Dakota	99943	0.8556	0.8496	-0.70
44000	Anderson County, Tennessee	28940	0.8419	0.8263	-1.85
44010	Bedford County, Tennessee	99944	0.7915	0.7841	-0.93
44020	Benton County, Tennessee	99944	0.7915	0.7841	-0.93
44030	Bledsoe County, Tennessee	99944	0.7915	0.7841	-0.93
44040	Blount County, Tennessee	28940	0.8419	0.8263	-1.85
44050	Bradley County, Tennessee	17420	0.8037	0.8124	1.08
44060	Campbell County, Tennessee	99944	0.7915	0.7841	-0.93
44070	Cannon County, Tennessee	34980	0.8838	0.9862	11.59
44080	Carroll County, Tennessee	99944	0.7915	0.7841	-0.93
44090	Carter County, Tennessee	27740	0.7972	0.8057	1.07
44100	Cheatham County, Tennessee	34980	0.9751	0.9862	1.14
44110	Chester County, Tennessee	27180	0.8964	0.8869	-1.06
44120	Claiborne County, Tennessee	99944	0.7915	0.7841	-0.93
44130	Clay County, Tennessee	99944	0.7915	0.7841	-0.93
44140	Cocke County, Tennessee	99944	0.7915	0.7841	-0.93
44150	Coffee County, Tennessee	99944	0.7915	0.7841	-0.93
44160	Crockett County, Tennessee	99944	0.7915	0.7841	-0.93
44170	Cumberland County, Tennessee	99944	0.7915	0.7841	-0.93
44180	Davidson County, Tennessee	34980	0.9751	0.9862	1.14
44190	Decatur County, Tennessee	99944	0.7915	0.7841	-0.93
44200	De Kalb County, Tennessee	99944	0.7915	0.7841	-0.93
44210	Dickson County, Tennessee	34980	0.9751	0.9862	1.14
44220	Dyer County, Tennessee	99944	0.7915	0.7841	-0.93
44230	Fayette County, Tennessee	32820	0.9407	0.9361	-0.49
44240	Fentress County, Tennessee	99944	0.7915	0.7841	-0.93
44250	Franklin County, Tennessee	99944	0.7915	0.7841	-0.93
44260	Gibson County, Tennessee	99944	0.7915	0.7841	-0.93
44270	Giles County, Tennessee	99944	0.7915	0.7841	-0.93
44280	Grainger County, Tennessee	34100	0.7948	0.7944	-0.05
44290	Greene County, Tennessee	99944	0.7915	0.7841	-0.93
44300	Grundy County, Tennessee	99944	0.7915	0.7841	-0.93
44310	Hamblen County, Tennessee	34100	0.7948	0.7944	-0.05
44320	Hamilton County, Tennessee	16860	0.9088	0.8963	-1.38
44330	Hancock County, Tennessee	99944	0.7915	0.7841	-0.93
44340	Hardeman County, Tennessee	99944	0.7915	0.7841	-0.93
44350	Hardin County, Tennessee	99944	0.7915	0.7841	-0.93
44360	Hawkins County, Tennessee	28700	0.8031	0.7975	-0.70
44370	Haywood County, Tennessee	99944	0.7915	0.7841	-0.93
44380	Henderson County, Tennessee	99944	0.7915	0.7841	-0.93
44390	Henry County, Tennessee	99944	0.7915	0.7841	-0.93
44400	Hickman County, Tennessee	34980	0.8838	0.9862	11.59
44410	Houston County, Tennessee	99944	0.7915	0.7841	-0.93
44420	Humphreys County, Tennessee	99944	0.7915	0.7841	-0.93
44430	Jackson County, Tennessee	99944	0.7915	0.7841	-0.93

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-
RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
44440	Jefferson County, Tennessee	34100	0.7948	0.7944	-0.05
44450	Johnson County, Tennessee	99944	0.7915	0.7841	-0.93
44460	Knox County, Tennessee	28940	0.8419	0.8263	-1.85
44470	Lake County, Tennessee	99944	0.7915	0.7841	-0.93
44480	Lauderdale County, Tennessee	99944	0.7915	0.7841	-0.93
44490	Lawrence County, Tennessee	99944	0.7915	0.7841	-0.93
44500	Lewis County, Tennessee	99944	0.7915	0.7841	-0.93
44510	Lincoln County, Tennessee	99944	0.7915	0.7841	-0.93
44520	Loudon County, Tennessee	28940	0.8419	0.8263	-1.85
44530	Mc Minn County, Tennessee	99944	0.7915	0.7841	-0.93
44540	Mc Nairy County, Tennessee	99944	0.7915	0.7841	-0.93
44550	Macon County, Tennessee	34980	0.8838	0.9862	11.59
44560	Madison County, Tennessee	27180	0.8964	0.8869	-1.06
44570	Marion County, Tennessee	16860	0.9088	0.8963	-1.38
44580	Marshall County, Tennessee	99944	0.7915	0.7841	-0.93
44590	Mauzy County, Tennessee	99944	0.7915	0.7841	-0.93
44600	Meigs County, Tennessee	99944	0.7915	0.7841	-0.93
44610	Monroe County, Tennessee	99944	0.7915	0.7841	-0.93
44620	Montgomery County, Tennessee	17300	0.8284	0.8451	2.02
44630	Moore County, Tennessee	99944	0.7915	0.7841	-0.93
44640	Morgan County, Tennessee	99944	0.7915	0.7841	-0.93
44650	Obion County, Tennessee	99944	0.7915	0.7841	-0.93
44660	Overton County, Tennessee	99944	0.7915	0.7841	-0.93
44670	Perry County, Tennessee	99944	0.7915	0.7841	-0.93
44680	Pickett County, Tennessee	99944	0.7915	0.7841	-0.93
44690	Polk County, Tennessee	17420	0.8037	0.8124	1.08
44700	Putnam County, Tennessee	99944	0.7915	0.7841	-0.93
44710	Rhea County, Tennessee	99944	0.7915	0.7841	-0.93
44720	Roane County, Tennessee	99944	0.7915	0.7841	-0.93
44730	Robertson County, Tennessee	34980	0.9751	0.9862	1.14
44740	Rutherford County, Tennessee	34980	0.9751	0.9862	1.14
44750	Scott County, Tennessee	99944	0.7915	0.7841	-0.93
44760	Sequatchie County, Tennessee	16860	0.8512	0.8963	5.30
44770	Sevier County, Tennessee	99944	0.8146	0.7841	-3.74
44780	Shelby County, Tennessee	32820	0.9407	0.9361	-0.49
44790	Smith County, Tennessee	34980	0.8838	0.9862	11.59
44800	Stewart County, Tennessee	17300	0.8110	0.8451	4.20
44810	Sullivan County, Tennessee	28700	0.8031	0.7975	-0.70
44820	Sumner County, Tennessee	34980	0.9751	0.9862	1.14
44830	Tipton County, Tennessee	32820	0.9407	0.9361	-0.49
44840	Trousdale County, Tennessee	34980	0.8838	0.9862	11.59
44850	Unicoi County, Tennessee	27740	0.7972	0.8057	1.07
44860	Union County, Tennessee	28940	0.8419	0.8263	-1.85
44870	Van Buren County, Tennessee	99944	0.7915	0.7841	-0.93
44880	Warren County, Tennessee	99944	0.7915	0.7841	-0.93
44890	Washington County, Tennessee	27740	0.7972	0.8057	1.07
44900	Wayne County, Tennessee	99944	0.7915	0.7841	-0.93
44910	Weakley County, Tennessee	99944	0.7915	0.7841	-0.93
44920	White County, Tennessee	99944	0.7915	0.7841	-0.93
44930	Williamson County, Tennessee	34980	0.9751	0.9862	1.14
44940	Wilson County, Tennessee	34980	0.9751	0.9862	1.14
45000	Anderson County, Texas	99945	0.7967	0.7973	0.08
45010	Andrews County, Texas	99945	0.7967	0.7973	0.08
45020	Angelina County, Texas	99945	0.7967	0.7973	0.08
45030	Aransas County, Texas	18580	0.8241	0.8579	4.10
45040	Archer County, Texas	48660	0.8325	0.8326	0.01
45050	Armstrong County, Texas	11100	0.8544	0.9177	7.41
45060	Atascosa County, Texas	41700	0.8456	0.8860	4.78
45070	Austin County, Texas	26420	0.8962	1.0026	11.87
45080	Bailey County, Texas	99945	0.7967	0.7973	0.08
45090	Bandera County, Texas	41700	0.8456	0.8860	4.78
45100	Bastrop County, Texas	12420	0.9437	0.9360	-0.82
45110	Baylor County, Texas	99945	0.7967	0.7973	0.08
45113	Bee County, Texas	99945	0.7967	0.7973	0.08
45120	Bell County, Texas	28660	0.8526	0.9098	6.71
45130	Bexar County, Texas	41700	0.8982	0.8860	-1.36
45140	Blanco County, Texas	99945	0.7967	0.7973	0.08

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
45150	Borden County, Texas	99945	0.7967	0.7973	0.08
45160	Bosque County, Texas	99945	0.7967	0.7973	0.08
45170	Bowie County, Texas	45500	0.8283	0.8118	-1.99
45180	Brazoria County, Texas	26420	0.9278	1.0026	8.06
45190	Brazos County, Texas	17780	0.8900	0.9061	1.81
45200	Brewster County, Texas	99945	0.7967	0.7973	0.08
45201	Briscoe County, Texas	99945	0.7967	0.7973	0.08
45210	Brooks County, Texas	99945	0.7967	0.7973	0.08
45220	Brown County, Texas	99945	0.7967	0.7973	0.08
45221	Burleson County, Texas	17780	0.8416	0.9061	7.66
45222	Burnet County, Texas	99945	0.7967	0.7973	0.08
45223	Caldwell County, Texas	12420	0.9437	0.9360	-0.82
45224	Calhoun County, Texas	47020	0.8046	0.8575	6.57
45230	Callahan County, Texas	10180	0.7914	0.8014	1.26
45240	Cameron County, Texas	15180	0.9804	0.9446	-3.65
45250	Camp County, Texas	99945	0.7967	0.7973	0.08
45251	Carson County, Texas	11100	0.8544	0.9177	7.41
45260	Cass County, Texas	99945	0.7967	0.7973	0.08
45270	Castro County, Texas	99945	0.7967	0.7973	0.08
45280	Chambers County, Texas	26420	1.0040	1.0026	-0.14
45281	Cherokee County, Texas	99945	0.7967	0.7973	0.08
45290	Childress County, Texas	99945	0.7967	0.7973	0.08
45291	Clay County, Texas	48660	0.8108	0.8326	2.69
45292	Cochran County, Texas	99945	0.7967	0.7973	0.08
45300	Coke County, Texas	99945	0.7967	0.7973	0.08
45301	Coleman County, Texas	99945	0.7967	0.7973	0.08
45310	Collin County, Texas	19124	1.0217	1.0093	-1.21
45311	Collingsworth County, Texas	99945	0.7967	0.7973	0.08
45312	Colorado County, Texas	99945	0.7967	0.7973	0.08
45320	Cornal County, Texas	41700	0.8982	0.8860	-1.36
45321	Comanche County, Texas	99945	0.7967	0.7973	0.08
45330	Concho County, Texas	99945	0.7967	0.7973	0.08
45340	Cooke County, Texas	99945	0.7967	0.7973	0.08
45341	Coryell County, Texas	28660	0.8526	0.9098	6.71
45350	Cottle County, Texas	99945	0.7967	0.7973	0.08
45360	Crane County, Texas	99945	0.7967	0.7973	0.08
45361	Crockett County, Texas	99945	0.7967	0.7973	0.08
45362	Crosby County, Texas	31180	0.8357	0.8628	3.24
45370	Culberson County, Texas	99945	0.7967	0.7973	0.08
45380	Dallam County, Texas	99945	0.7967	0.7973	0.08
45390	Dallas County, Texas	19124	1.0217	1.0093	-1.21
45391	Dawson County, Texas	99945	0.7967	0.7973	0.08
45392	Deaf Smith County, Texas	99945	0.7967	0.7973	0.08
45400	Delta County, Texas	19124	0.9080	1.0093	11.16
45410	Denton County, Texas	19124	1.0217	1.0093	-1.21
45420	De Witt County, Texas	99945	0.7967	0.7973	0.08
45421	Dickens County, Texas	99945	0.7967	0.7973	0.08
45430	Dimmit County, Texas	99945	0.7967	0.7973	0.08
45431	Donley County, Texas	99945	0.7967	0.7973	0.08
45440	Duval County, Texas	99945	0.7967	0.7973	0.08
45450	Eastland County, Texas	99945	0.7967	0.7973	0.08
45451	Ector County, Texas	36220	0.9813	1.0119	3.12
45460	Edwards County, Texas	99945	0.7967	0.7973	0.08
45470	Ellis County, Texas	19124	1.0217	1.0093	-1.21
45480	El Paso County, Texas	21340	0.8977	0.9069	1.02
45490	Erath County, Texas	99945	0.7967	0.7973	0.08
45500	Falls County, Texas	99945	0.7967	0.7973	0.08
45510	Fannin County, Texas	99945	0.7967	0.7973	0.08
45511	Fayette County, Texas	99945	0.7967	0.7973	0.08
45520	Fisher County, Texas	99945	0.7967	0.7973	0.08
45521	Floyd County, Texas	99945	0.7967	0.7973	0.08
45522	Foard County, Texas	99945	0.7967	0.7973	0.08
45530	Fort Bend County, Texas	26420	1.0040	1.0026	-0.14
45531	Franklin County, Texas	99945	0.7967	0.7973	0.08
45540	Freestone County, Texas	99945	0.7967	0.7973	0.08
45541	Frio County, Texas	99945	0.7967	0.7973	0.08
45542	Gaines County, Texas	99945	0.7967	0.7973	0.08

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
45550	Galveston County, Texas	26420	0.9814	1.0026	2.16
45551	Garza County, Texas	99945	0.7967	0.7973	0.08
45552	Gillespie County, Texas	99945	0.7967	0.7973	0.08
45560	Glasscock County, Texas	99945	0.7967	0.7973	0.08
45561	Goliad County, Texas	47020	0.8046	0.8575	6.57
45562	Gonzales County, Texas	99945	0.7967	0.7973	0.08
45563	Gray County, Texas	99945	0.7967	0.7973	0.08
45564	Grayson County, Texas	43300	0.9507	0.8517	-10.41
45570	Gregg County, Texas	30980	0.8809	0.8803	-0.07
45580	Grimes County, Texas	99945	0.7967	0.7973	0.08
45581	Guadalupe County, Texas	41700	0.8982	0.8860	-1.36
45582	Hale County, Texas	99945	0.7967	0.7973	0.08
45583	Hall County, Texas	99945	0.7967	0.7973	0.08
45590	Hamilton County, Texas	99945	0.7967	0.7973	0.08
45591	Hansford County, Texas	99945	0.7967	0.7973	0.08
45592	Hardeman County, Texas	99945	0.7967	0.7973	0.08
45600	Hardin County, Texas	13140	0.8412	0.8610	2.35
45610	Harris County, Texas	26420	1.0040	1.0026	-0.14
45620	Harrison County, Texas	99945	0.8446	0.7973	-5.60
45621	Hartley County, Texas	99945	0.7967	0.7973	0.08
45630	Haskell County, Texas	99945	0.7967	0.7973	0.08
45631	Hays County, Texas	12420	0.9437	0.9360	-0.82
45632	Hemphill County, Texas	99945	0.7967	0.7973	0.08
45640	Henderson County, Texas	99945	0.9104	0.7973	-12.42
45650	Hidalgo County, Texas	32580	0.8934	0.8788	-1.63
45651	Hill County, Texas	99945	0.7967	0.7973	0.08
45652	Hockley County, Texas	99945	0.7967	0.7973	0.08
45653	Hood County, Texas	99945	0.8763	0.7973	-9.02
45654	Hopkins County, Texas	99945	0.7967	0.7973	0.08
45660	Houston County, Texas	99945	0.7967	0.7973	0.08
45661	Howard County, Texas	99945	0.7967	0.7973	0.08
45662	Hudspeth County, Texas	99945	0.7967	0.7973	0.08
45670	Hunt County, Texas	19124	1.0217	1.0093	-1.21
45671	Hutchinson County, Texas	99945	0.7967	0.7973	0.08
45672	Irion County, Texas	41660	0.8101	0.8377	3.41
45680	Jack County, Texas	99945	0.7967	0.7973	0.08
45681	Jackson County, Texas	99945	0.7967	0.7973	0.08
45690	Jasper County, Texas	99945	0.7967	0.7973	0.08
45691	Jeff Davis County, Texas	99945	0.7967	0.7973	0.08
45700	Jefferson County, Texas	13140	0.8412	0.8610	2.35
45710	Jim Hogg County, Texas	99945	0.7967	0.7973	0.08
45711	Jim Wells County, Texas	99945	0.7967	0.7973	0.08
45720	Johnson County, Texas	23104	0.9504	0.9587	0.87
45721	Jones County, Texas	10180	0.7914	0.8014	1.26
45722	Karnes County, Texas	99945	0.7967	0.7973	0.08
45730	Kaufman County, Texas	19124	1.0217	1.0093	-1.21
45731	Kendall County, Texas	41700	0.8456	0.8860	4.78
45732	Kenedy County, Texas	99945	0.7967	0.7973	0.08
45733	Kent County, Texas	99945	0.7967	0.7973	0.08
45734	Kerr County, Texas	99945	0.7967	0.7973	0.08
45740	Kimble County, Texas	99945	0.7967	0.7973	0.08
45741	King County, Texas	99945	0.7967	0.7973	0.08
45742	Kinney County, Texas	99945	0.7967	0.7973	0.08
45743	Kleberg County, Texas	99945	0.7967	0.7973	0.08
45744	Knox County, Texas	99945	0.7967	0.7973	0.08
45750	Lamar County, Texas	99945	0.7967	0.7973	0.08
45751	Lamb County, Texas	99945	0.7967	0.7973	0.08
45752	Lampasas County, Texas	28660	0.8229	0.9098	10.56
45753	La Salle County, Texas	99945	0.7967	0.7973	0.08
45754	Lavaca County, Texas	99945	0.7967	0.7973	0.08
45755	Lee County, Texas	99945	0.7967	0.7973	0.08
45756	Leon County, Texas	99945	0.7967	0.7973	0.08
45757	Liberty County, Texas	26420	1.0040	1.0026	-0.14
45758	Limestone County, Texas	99945	0.7967	0.7973	0.08
45759	Lipscomb County, Texas	99945	0.7967	0.7973	0.08
45760	Live Oak County, Texas	99945	0.7967	0.7973	0.08
45761	Llano County, Texas	99945	0.7967	0.7973	0.08

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
45762	Loving County, Texas	99945	0.7967	0.7973	0.08
45770	Lubbock County, Texas	31180	0.8783	0.8628	-1.76
45771	Lynn County, Texas	99945	0.7967	0.7973	0.08
45772	Mc Culloch County, Texas	99945	0.7967	0.7973	0.08
45780	Mc Lennan County, Texas	47380	0.8518	0.8648	1.53
45781	Mc Mullen County, Texas	99945	0.7967	0.7973	0.08
45782	Madison County, Texas	99945	0.7967	0.7973	0.08
45783	Marion County, Texas	99945	0.7967	0.7973	0.08
45784	Martin County, Texas	99945	0.7967	0.7973	0.08
45785	Mason County, Texas	99945	0.7967	0.7973	0.08
45790	Matagorda County, Texas	99945	0.7967	0.7973	0.08
45791	Maverick County, Texas	99945	0.7967	0.7973	0.08
45792	Medina County, Texas	41700	0.8456	0.8860	4.78
45793	Menard County, Texas	99945	0.7967	0.7973	0.08
45794	Midland County, Texas	33260	0.9628	0.9803	1.82
45795	Milam County, Texas	99945	0.7967	0.7973	0.08
45796	Mills County, Texas	99945	0.7967	0.7973	0.08
45797	Mitchell County, Texas	99945	0.7967	0.7973	0.08
45800	Montague County, Texas	99945	0.7967	0.7973	0.08
45801	Montgomery County, Texas	26420	1.0040	1.0026	-0.14
45802	Moore County, Texas	99945	0.7967	0.7973	0.08
45803	Morris County, Texas	99945	0.7967	0.7973	0.08
45804	Motley County, Texas	99945	0.7967	0.7973	0.08
45810	Nacogdoches County, Texas	99945	0.7967	0.7973	0.08
45820	Navarro County, Texas	99945	0.7967	0.7973	0.08
45821	Newton County, Texas	99945	0.7967	0.7973	0.08
45822	Nolan County, Texas	99945	0.7967	0.7973	0.08
45830	Nueces County, Texas	18580	0.8550	0.8579	0.34
45831	Ochiltree County, Texas	99945	0.7967	0.7973	0.08
45832	Oldham County, Texas	99945	0.7967	0.7973	0.08
45840	Orange County, Texas	13140	0.8412	0.8610	2.35
45841	Palo Pinto County, Texas	99945	0.7967	0.7973	0.08
45842	Panola County, Texas	99945	0.7967	0.7973	0.08
45843	Parker County, Texas	23104	0.9504	0.9587	0.87
45844	Parmer County, Texas	99945	0.7967	0.7973	0.08
45845	Pecos County, Texas	99945	0.7967	0.7973	0.08
45850	Polk County, Texas	99945	0.7967	0.7973	0.08
45860	Potter County, Texas	11100	0.9156	0.9177	0.23
45861	Presidio County, Texas	99945	0.7967	0.7973	0.08
45870	Rains County, Texas	99945	0.7967	0.7973	0.08
45871	Randall County, Texas	11100	0.9156	0.9177	0.23
45872	Reagan County, Texas	99945	0.7967	0.7973	0.08
45873	Real County, Texas	99945	0.7967	0.7973	0.08
45874	Red River County, Texas	99945	0.7967	0.7973	0.08
45875	Reeves County, Texas	99945	0.7967	0.7973	0.08
45876	Refugio County, Texas	99945	0.7967	0.7973	0.08
45877	Roberts County, Texas	99945	0.7967	0.7973	0.08
45878	Robertson County, Texas	17780	0.8416	0.9061	7.66
45879	Rockwall County, Texas	19124	1.0217	1.0093	-1.21
45880	Runnels County, Texas	99945	0.7967	0.7973	0.08
45881	Rusk County, Texas	30980	0.8331	0.8803	5.67
45882	Sabine County, Texas	99945	0.7967	0.7973	0.08
45883	San Augustine County, Texas	99945	0.7967	0.7973	0.08
45884	San Jacinto County, Texas	26420	0.8962	1.0026	11.87
45885	San Patricio County, Texas	18580	0.8550	0.8579	0.34
45886	San Saba County, Texas	99945	0.7967	0.7973	0.08
45887	Schleicher County, Texas	99945	0.7967	0.7973	0.08
45888	Scurry County, Texas	99945	0.7967	0.7973	0.08
45889	Shackelford County, Texas	99945	0.7967	0.7973	0.08
45890	Shelby County, Texas	99945	0.7967	0.7973	0.08
45891	Sherman County, Texas	99945	0.7967	0.7973	0.08
45892	Smith County, Texas	46340	0.9168	0.8827	-3.72
45893	Somervell County, Texas	99945	0.7967	0.7973	0.08
45900	Starr County, Texas	99945	0.7967	0.7973	0.08
45901	Stephens County, Texas	99945	0.7967	0.7973	0.08
45902	Sterling County, Texas	99945	0.7967	0.7973	0.08
45903	Stonewall County, Texas	99945	0.7967	0.7973	0.08

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
45904	Sutton County, Texas	99945	0.7967	0.7973	0.08
45905	Swisher County, Texas	99945	0.7967	0.7973	0.08
45910	Tarrant County, Texas	23104	0.9504	0.9587	0.87
45911	Taylor County, Texas	10180	0.7975	0.8014	0.49
45912	Terrell County, Texas	99945	0.7967	0.7973	0.08
45913	Terry County, Texas	99945	0.7967	0.7973	0.08
45920	Throckmorton County, Texas	99945	0.7967	0.7973	0.08
45921	Titus County, Texas	99945	0.7967	0.7973	0.08
45930	Tom Green County, Texas	41660	0.8271	0.8377	1.28
45940	Travis County, Texas	12420	0.9437	0.9360	-0.82
45941	Trinity County, Texas	99945	0.7967	0.7973	0.08
45942	Tyler County, Texas	99945	0.7967	0.7973	0.08
45943	Upshur County, Texas	30980	0.8809	0.8803	-0.07
45944	Upton County, Texas	99945	0.7967	0.7973	0.08
45945	Uvalde County, Texas	99945	0.7967	0.7973	0.08
45946	Val Verde County, Texas	99945	0.7967	0.7973	0.08
45947	Van Zandt County, Texas	99945	0.7967	0.7973	0.08
45948	Victoria County, Texas	47020	0.8160	0.8575	5.09
45949	Walker County, Texas	99945	0.7967	0.7973	0.08
45950	Waller County, Texas	26420	1.0040	1.0026	-0.14
45951	Ward County, Texas	99945	0.7967	0.7973	0.08
45952	Washington County, Texas	99945	0.7967	0.7973	0.08
45953	Webb County, Texas	29700	0.8068	0.7825	-3.01
45954	Wharton County, Texas	99945	0.7967	0.7973	0.08
45955	Wheeler County, Texas	99945	0.7967	0.7973	0.08
45960	Wichita County, Texas	48660	0.8325	0.8326	0.01
45961	Wilbarger County, Texas	99945	0.7967	0.7973	0.08
45962	Willacy County, Texas	99945	0.7967	0.7973	0.08
45970	Williamson County, Texas	12420	0.9437	0.9360	-0.82
45971	Wilson County, Texas	41700	0.8982	0.8860	-1.36
45972	Winkler County, Texas	99945	0.7967	0.7973	0.08
45973	Wise County, Texas	23104	0.8709	0.9587	10.08
45974	Wood County, Texas	99945	0.7967	0.7973	0.08
45980	Yoakum County, Texas	99945	0.7967	0.7973	0.08
45981	Young County, Texas	99945	0.7967	0.7973	0.08
45982	Zapata County, Texas	99945	0.7967	0.7973	0.08
45983	Zavala County, Texas	99945	0.7967	0.7973	0.08
46000	Beaver County, Utah	99946	0.8440	0.8154	-3.39
46010	Box Elder County, Utah	99946	0.8440	0.8154	-3.39
46020	Cache County, Utah	30860	0.8963	0.9038	0.84
46030	Carbon County, Utah	99946	0.8440	0.8154	-3.39
46040	Daggett County, Utah	99946	0.8440	0.8154	-3.39
46050	Davis County, Utah	36260	0.9185	0.9011	-1.89
46060	Duchesne County, Utah	99946	0.8440	0.8154	-3.39
46070	Emery County, Utah	99946	0.8440	0.8154	-3.39
46080	Garfield County, Utah	99946	0.8440	0.8154	-3.39
46090	Grand County, Utah	99946	0.8440	0.8154	-3.39
46100	Iron County, Utah	99946	0.8440	0.8154	-3.39
46110	Juab County, Utah	39340	0.9131	0.9554	4.63
46120	Kane County, Utah	99946	0.9982	0.8154	-18.31
46130	Millard County, Utah	99946	0.8440	0.8154	-3.39
46140	Morgan County, Utah	36260	0.8896	0.9011	1.29
46150	Piute County, Utah	99946	0.8440	0.8154	-3.39
46160	Rich County, Utah	99946	0.8440	0.8154	-3.39
46170	Salt Lake County, Utah	41620	0.9381	0.9418	0.39
46180	San Juan County, Utah	99946	0.8440	0.8154	-3.39
46190	Sanpete County, Utah	99946	0.8440	0.8154	-3.39
46200	Sevier County, Utah	99946	0.8440	0.8154	-3.39
46210	Summit County, Utah	41620	0.9092	0.9418	3.59
46220	Tooele County, Utah	41620	0.9092	0.9418	3.59
46230	Uintah County, Utah	99946	0.8440	0.8154	-3.39
46240	Utah County, Utah	39340	0.9500	0.9554	0.57
46250	Wasatch County, Utah	99946	0.8440	0.8154	-3.39
46260	Washington County, Utah	41100	0.9077	0.9281	2.25
46270	Wayne County, Utah	99946	0.8440	0.8154	-3.39
46280	Weber County, Utah	36260	0.9185	0.9011	-1.89
47000	Addison County, Vermont	99947	0.9830	0.9944	1.16

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
47010	Bennington County, Vermont	99947	0.9830	0.9944	1.16
47020	Caledonia County, Vermont	99947	0.9830	0.9944	1.16
47030	Chittenden County, Vermont	15540	0.9410	0.9491	0.86
47040	Essex County, Vermont	99947	0.9830	0.9944	1.16
47050	Franklin County, Vermont	15540	0.9410	0.9491	0.86
47060	Grand Isle County, Vermont	15540	0.9410	0.9491	0.86
47070	Lamoille County, Vermont	99947	0.9830	0.9944	1.16
47080	Orange County, Vermont	99947	0.9830	0.9944	1.16
47090	Orleans County, Vermont	99947	0.9830	0.9944	1.16
47100	Rutland County, Vermont	99947	0.9830	0.9944	1.16
47110	Washington County, Vermont	99947	0.9830	0.9944	1.16
47120	Windham County, Vermont	99947	0.9830	0.9944	1.16
47130	Windsor County, Vermont	99947	0.9830	0.9944	1.16
48010	St Croix County, Virgin Islands	99948	0.7615	0.7615	0.00
48020	St Thomas-John County, Virgin Islands	99948	0.7615	0.7615	0.00
49000	Accomack County, Virginia	99949	0.8215	0.7954	-3.18
49010	Albemarle County, Virginia	16820	1.0187	1.0143	-0.43
49011	Alexandria City County, Virginia	47894	1.0951	1.1074	1.12
49020	Alleghany County, Virginia	99949	0.8215	0.7954	-3.18
49030	Amelia County, Virginia	40060	0.8873	0.9193	3.61
49040	Amherst County, Virginia	31340	0.8691	0.8710	0.22
49050	Appomattox County, Virginia	31340	0.8554	0.8710	1.82
49060	Arlington County, Virginia	47894	1.0951	1.1074	1.12
49070	Augusta County, Virginia	99949	0.8215	0.7954	-3.18
49080	Bath County, Virginia	99949	0.8215	0.7954	-3.18
49088	Bedford City County, Virginia	31340	0.8691	0.8710	0.22
49090	Bedford County, Virginia	31340	0.8691	0.8710	0.22
49100	Bland County, Virginia	99949	0.8215	0.7954	-3.18
49110	Botetourt County, Virginia	40220	0.8381	0.8662	3.35
49111	Bristol City County, Virginia	28700	0.8031	0.7975	-0.70
49120	Brunswick County, Virginia	99949	0.8215	0.7954	-3.18
49130	Buchanan County, Virginia	99949	0.8215	0.7954	-3.18
49140	Buckingham County, Virginia	99949	0.8215	0.7954	-3.18
49141	Buena Vista City County, Virginia	99949	0.8215	0.7954	-3.18
49150	Campbell County, Virginia	31340	0.8691	0.8710	0.22
49160	Caroline County, Virginia	40060	0.8873	0.9193	3.61
49170	Carroll County, Virginia	99949	0.8215	0.7954	-3.18
49180	Charles City County, Virginia	40060	0.9328	0.9193	-1.45
49190	Charlotte County, Virginia	99949	0.8215	0.7954	-3.18
49191	Charlottesville City County, Virginia	16820	1.0187	1.0143	-0.43
49194	Chesapeake County, Virginia	47260	0.8799	0.8805	0.07
49200	Chesterfield County, Virginia	40060	0.9328	0.9193	-1.45
49210	Clarke County, Virginia	47894	1.0951	1.1074	1.12
49211	Clifton Forge City County, Virginia	99949	0.8215	0.7954	-3.18
49212	Colonial Heights County, Virginia	40060	0.9328	0.9193	-1.45
49213	Covington City County, Virginia	99949	0.8215	0.7954	-3.18
49220	Craig County, Virginia	40220	0.8396	0.8662	3.17
49230	Culpeper County, Virginia	99949	0.9495	0.7954	-16.23
49240	Cumberland County, Virginia	40060	0.8873	0.9193	3.61
49241	Danville City County, Virginia	19260	0.8489	0.8466	-0.27
49250	Dickenson County, Virginia	99949	0.8215	0.7954	-3.18
49260	Dinniddie County, Virginia	40060	0.9328	0.9193	-1.45
49270	Emporia County, Virginia	99949	0.8215	0.7954	-3.18
49280	Essex County, Virginia	99949	0.8215	0.7954	-3.18
49288	Fairfax City County, Virginia	47894	1.0951	1.1074	1.12
49290	Fairfax County, Virginia	47894	1.0951	1.1074	1.12
49291	Falls Church City County, Virginia	47894	1.0951	1.1074	1.12
49300	Fauquier County, Virginia	47894	1.0951	1.1074	1.12
49310	Floyd County, Virginia	99949	0.8215	0.7954	-3.18
49320	Fluvanna County, Virginia	16820	1.0187	1.0143	-0.43
49328	Franklin City County, Virginia	99949	0.8215	0.7954	-3.18
49330	Franklin County, Virginia	40220	0.8396	0.8662	3.17
49340	Frederick County, Virginia	49020	0.9316	1.0109	8.51
49342	Fredericksburg City County, Virginia	47894	1.0951	1.1074	1.12
49343	Galax City County, Virginia	99949	0.8215	0.7954	-3.18
49350	Giles County, Virginia	13980	0.8186	0.8227	0.50
49360	Gloucester County, Virginia	47260	0.8799	0.8805	0.07

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
49370	Goochland County, Virginia	40060	0.9328	0.9193	-1.45
49380	Grayson County, Virginia	99949	0.8215	0.7954	-3.18
49390	Greene County, Virginia	16820	1.0187	1.0143	-0.43
49400	Greensville County, Virginia	99949	0.8215	0.7954	-3.18
49410	Halifax County, Virginia	99949	0.8215	0.7954	-3.18
49411	Hampton City County, Virginia	47260	0.8799	0.8805	0.07
49420	Hanover County, Virginia	40060	0.9328	0.9193	-1.45
49421	Harrisonburg City County, Virginia	25500	0.8753	0.9090	3.85
49430	Henrico County, Virginia	40060	0.9328	0.9193	-1.45
49440	Henry County, Virginia	99949	0.8215	0.7954	-3.18
49450	Highland County, Virginia	99949	0.8215	0.7954	-3.18
49451	Hopewell City County, Virginia	40060	0.9328	0.9193	-1.45
49460	Isle Of Wight County, Virginia	47260	0.8799	0.8805	0.07
49470	James City County, Virginia	47260	0.8799	0.8805	0.07
49480	King And Queen County, Virginia	40060	0.8873	0.9193	3.61
49490	King George County, Virginia	99949	0.9495	0.7954	-16.23
49500	King William County, Virginia	40060	0.8873	0.9193	3.61
49510	Lancaster County, Virginia	99949	0.8215	0.7954	-3.18
49520	Lee County, Virginia	99949	0.8215	0.7954	-3.18
49522	Lexington County, Virginia	99949	0.8215	0.7954	-3.18
49530	Loudoun County, Virginia	47894	1.0951	1.1074	1.12
49540	Louisa County, Virginia	40060	0.8873	0.9193	3.61
49550	Lunenburg County, Virginia	99949	0.8215	0.7954	-3.18
49551	Lynchburg City County, Virginia	31340	0.8691	0.8710	0.22
49560	Madison County, Virginia	99949	0.8215	0.7954	-3.18
49561	Martinsville City County, Virginia	99949	0.8215	0.7954	-3.18
49563	Manassas City County, Virginia	47894	1.0951	1.1074	1.12
49565	Manassas Park City County, Virginia	47894	1.0951	1.1074	1.12
49570	Mathews County, Virginia	47260	0.8799	0.8805	0.07
49580	Mecklenburg County, Virginia	99949	0.8215	0.7954	-3.18
49590	Middlesex County, Virginia	99949	0.8215	0.7954	-3.18
49600	Montgomery County, Virginia	13980	0.8186	0.8227	0.50
49610	Nansemond, Virginia	99949	0.8215	0.7954	-3.18
49620	Nelson County, Virginia	16820	0.9302	1.0143	9.04
49621	New Kent County, Virginia	40060	0.9328	0.9193	-1.45
49622	Newport News City County, Virginia	47260	0.8799	0.8805	0.07
49641	Norfolk City County, Virginia	47260	0.8799	0.8805	0.07
49650	Northampton County, Virginia	99949	0.8215	0.7954	-3.18
49660	Northumberland County, Virginia	99949	0.8215	0.7954	-3.18
49661	Norton City County, Virginia	99949	0.8215	0.7954	-3.18
49670	Nottoway County, Virginia	99949	0.8215	0.7954	-3.18
49680	Orange County, Virginia	99949	0.8215	0.7954	-3.18
49690	Page County, Virginia	99949	0.8215	0.7954	-3.18
49700	Patrick County, Virginia	99949	0.8215	0.7954	-3.18
49701	Petersburg City County, Virginia	40060	0.9328	0.9193	-1.45
49710	Pittsylvania County, Virginia	19260	0.8489	0.8466	-0.27
49711	Portsmouth City County, Virginia	47260	0.8799	0.8805	0.07
49712	Poquoson City County, Virginia	47260	0.8799	0.8805	0.07
49720	Powhatan County, Virginia	40060	0.9328	0.9193	-1.45
49730	Prince Edward County, Virginia	99949	0.8215	0.7954	-3.18
49740	Prince George County, Virginia	40060	0.9328	0.9193	-1.45
49750	Prince William County, Virginia	47894	1.0951	1.1074	1.12
49770	Pulaski County, Virginia	13980	0.8186	0.8227	0.50
49771	Radford City County, Virginia	13980	0.8186	0.8227	0.50
49780	Rappahannock County, Virginia	99949	0.8215	0.7954	-3.18
49790	Richmond County, Virginia	99949	0.8215	0.7954	-3.18
49791	Richmond City County, Virginia	40060	0.9328	0.9193	-1.45
49800	Roanoke County, Virginia	40220	0.8381	0.8662	3.35
49801	Roanoke City County, Virginia	40220	0.8381	0.8662	3.35
49810	Rockbridge County, Virginia	99949	0.8215	0.7954	-3.18
49820	Rockingham County, Virginia	25500	0.8753	0.9090	3.85
49830	Russell County, Virginia	99949	0.8215	0.7954	-3.18
49838	Salem County, Virginia	40220	0.8381	0.8662	3.35
49840	Scott County, Virginia	28700	0.8031	0.7975	-0.70
49850	Shenandoah County, Virginia	99949	0.8215	0.7954	-3.18
49860	Smyth County, Virginia	99949	0.8215	0.7954	-3.18
49867	South Boston City County, Virginia	99949	0.8215	0.7954	-3.18

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
49870	Southampton County, Virginia	99949	0.8215	0.7954	-3.18
49880	Spotsylvania County, Virginia	47894	1.0951	1.1074	1.12
49890	Stafford County, Virginia	47894	1.0951	1.1074	1.12
49891	Staunton City County, Virginia	99949	0.8215	0.7954	-3.18
49892	Suffolk City County, Virginia	47260	0.8799	0.8805	0.07
49900	Surry County, Virginia	47260	0.8608	0.8805	2.29
49910	Sussex County, Virginia	40060	0.8873	0.9193	3.61
49920	Tazewell County, Virginia	99949	0.8215	0.7954	-3.18
49921	Virginia Beach City County, Virginia	47260	0.8799	0.8805	0.07
49930	Warren County, Virginia	47894	1.0951	1.1074	1.12
49950	Washington County, Virginia	28700	0.8031	0.7975	-0.70
49951	Waynesboro City County, Virginia	99949	0.8215	0.7954	-3.18
49960	Westmoreland County, Virginia	99949	0.8215	0.7954	-3.18
49961	Williamsburg City County, Virginia	47260	0.8799	0.8805	0.07
49962	Winchester City County, Virginia	49020	0.9316	1.0109	8.51
49970	Wise County, Virginia	99949	0.8215	0.7954	-3.18
49980	Wythe County, Virginia	99949	0.8215	0.7954	-3.18
49981	York County, Virginia	47260	0.8799	0.8805	0.07
50000	Adams County, Washington	99950	1.0364	1.0281	-0.80
50010	Asotin County, Washington	30300	1.0052	0.9871	-1.80
50020	Benton County, Washington	28420	1.0619	1.0361	-2.43
50030	Chelan County, Washington	48300	1.0144	1.0365	2.18
50040	Clallam County, Washington	99950	1.0364	1.0281	-0.80
50050	Clark County, Washington	38900	1.1266	1.1436	1.51
50060	Columbia County, Washington	99950	1.0364	1.0281	-0.80
50070	Cowlitz County, Washington	31020	0.9898	1.0029	1.32
50080	Douglas County, Washington	48300	1.0144	1.0365	2.18
50090	Ferry County, Washington	99950	1.0364	1.0281	-0.80
50100	Franklin County, Washington	28420	1.0619	1.0361	-2.43
50110	Garfield County, Washington	99950	1.0364	1.0281	-0.80
50120	Grant County, Washington	99950	1.0364	1.0281	-0.80
50130	Grays Harbor County, Washington	99950	1.0364	1.0281	-0.80
50140	Island County, Washington	99950	1.1039	1.0281	-6.87
50150	Jefferson County, Washington	99950	1.0364	1.0281	-0.80
50160	King County, Washington	42644	1.1572	1.1454	-1.02
50170	Kitsap County, Washington	14740	1.0675	1.0932	2.41
50180	Kittitas County, Washington	99950	1.0364	1.0281	-0.80
50190	Klickitat County, Washington	99950	1.0364	1.0281	-0.80
50200	Lewis County, Washington	99950	1.0364	1.0281	-0.80
50210	Lincoln County, Washington	99950	1.0364	1.0281	-0.80
50220	Mason County, Washington	99950	1.0364	1.0281	-0.80
50230	Okanogan County, Washington	99950	1.0364	1.0281	-0.80
50240	Pacific County, Washington	99950	1.0364	1.0281	-0.80
50250	Pend Oreille County, Washington	99950	1.0364	1.0281	-0.80
50260	Pierce County, Washington	45104	1.0742	1.0808	0.61
50270	San Juan County, Washington	99950	1.0364	1.0281	-0.80
50280	Skagit County, Washington	34580	1.0336	1.0536	1.93
50290	Skamania County, Washington	38900	1.0742	1.1436	6.46
50300	Snohomish County, Washington	42644	1.1572	1.1454	-1.02
50310	Spokane County, Washington	44060	1.0905	1.0465	-4.03
50320	Stevens County, Washington	99950	1.0364	1.0281	-0.80
50330	Thurston County, Washington	36500	1.0927	1.1100	1.58
50340	Wahkiakum County, Washington	99950	1.0364	1.0281	-0.80
50350	Walla Walla County, Washington	99950	1.0364	1.0281	-0.80
50360	Whatcom County, Washington	13380	1.1731	1.1124	-5.17
50370	Whitman County, Washington	99950	1.0364	1.0281	-0.80
50380	Yakima County, Washington	49420	1.0155	0.9865	-2.86
51000	Barbour County, W Virginia	99951	0.7809	0.7620	-2.42
51010	Berkeley County, W Virginia	25180	1.0233	0.9054	-11.52
51020	Boone County, W Virginia	16620	0.8173	0.8558	4.71
51030	Braxton County, W Virginia	99951	0.7809	0.7620	-2.42
51040	Brooke County, W Virginia	48260	0.7819	0.8078	3.31
51050	Cabell County, W Virginia	26580	0.9477	0.9013	-4.90
51060	Calhoun County, W Virginia	99951	0.7809	0.7620	-2.42
51070	Clay County, W Virginia	16620	0.8173	0.8558	4.71
51080	Doddridge County, W Virginia	99951	0.7809	0.7620	-2.42
51090	Fayette County, W Virginia	99951	0.7809	0.7620	-2.42

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-
RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006—CY 2007
51100	Gilmer County, W Virginia	99951	0.7809	0.7620	-2.42
51110	Grant County, W Virginia	99951	0.7809	0.7620	-2.42
51120	Greenbrier County, W Virginia	99951	0.7809	0.7620	-2.42
51130	Hampshire County, W Virginia	49020	0.9057	1.0109	11.62
51140	Hancock County, W Virginia	48260	0.7819	0.8078	3.31
51150	Hardy County, W Virginia	99951	0.7809	0.7620	-2.42
51160	Harrison County, W Virginia	99951	0.7809	0.7620	-2.42
51170	Jackson County, W Virginia	99951	0.7809	0.7620	-2.42
51180	Jefferson County, W Virginia	47894	1.0951	1.1074	1.12
51190	Kanawha County, W Virginia	16620	0.8445	0.8558	1.34
51200	Lewis County, W Virginia	99951	0.7809	0.7620	-2.42
51210	Lincoln County, W Virginia	16620	0.8173	0.8558	4.71
51220	Logan County, W Virginia	99951	0.7809	0.7620	-2.42
51230	Mc Dowell County, W Virginia	99951	0.7809	0.7620	-2.42
51240	Marion County, W Virginia	99951	0.7809	0.7620	-2.42
51250	Marshall County, W Virginia	48540	0.7161	0.7022	-1.94
51260	Mason County, W Virginia	99951	0.7809	0.7620	-2.42
51270	Mercer County, W Virginia	99951	0.7809	0.7620	-2.42
51280	Mineral County, W Virginia	19060	0.9317	0.8859	-4.92
51290	Mingo County, W Virginia	99951	0.7809	0.7620	-2.42
51300	Monongalia County, W Virginia	34060	0.8160	0.8438	3.41
51310	Monroe County, W Virginia	99951	0.7809	0.7620	-2.42
51320	Morgan County, W Virginia	25180	0.8695	0.9054	4.13
51330	Nicholas County, W Virginia	99951	0.7809	0.7620	-2.42
51340	Ohio County, W Virginia	48540	0.7161	0.7022	-1.94
51350	Pendleton County, W Virginia	99951	0.7809	0.7620	-2.42
51360	Pleasants County, W Virginia	37620	0.8085	0.7940	-1.79
51370	Pocahontas County, W Virginia	99951	0.7809	0.7620	-2.42
51380	Preston County, W Virginia	34060	0.8160	0.8438	3.41
51390	Putnam County, W Virginia	16620	0.8445	0.8558	1.34
51400	Raleigh County, W Virginia	99951	0.7809	0.7620	-2.42
51410	Randolph County, W Virginia	99951	0.7809	0.7620	-2.42
51420	Ritchie County, W Virginia	99951	0.7809	0.7620	-2.42
51430	Roane County, W Virginia	99951	0.7809	0.7620	-2.42
51440	Summers County, W Virginia	99951	0.7809	0.7620	-2.42
51450	Taylor County, W Virginia	99951	0.7809	0.7620	-2.42
51460	Tucker County, W Virginia	99951	0.7809	0.7620	-2.42
51470	Tyler County, W Virginia	99951	0.7809	0.7620	-2.42
51480	Upshur County, W Virginia	99951	0.7809	0.7620	-2.42
51490	Wayne County, W Virginia	26580	0.9477	0.9013	-4.90
51500	Webster County, W Virginia	99951	0.7809	0.7620	-2.42
51510	Wetzel County, W Virginia	99951	0.7809	0.7620	-2.42
51520	Wirt County, W Virginia	37620	0.8085	0.7940	-1.79
51530	Wood County, W Virginia	37620	0.8270	0.7940	-3.99
51540	Wyoming County, W Virginia	99951	0.7809	0.7620	-2.42
52000	Adams County, Wisconsin	99952	0.9494	0.9468	-0.27
52010	Ashland County, Wisconsin	99952	0.9494	0.9468	-0.27
52020	Barron County, Wisconsin	99952	0.9494	0.9468	-0.27
52030	Bayfield County, Wisconsin	99952	0.9494	0.9468	-0.27
52040	Brown County, Wisconsin	24580	0.9483	0.9804	3.39
52050	Buffalo County, Wisconsin	99952	0.9494	0.9468	-0.27
52060	Burnett County, Wisconsin	99952	0.9494	0.9468	-0.27
52070	Calumet County, Wisconsin	11540	0.9264	0.9472	2.25
52080	Chippewa County, Wisconsin	20740	0.9201	0.9647	4.85
52090	Clark County, Wisconsin	99952	0.9494	0.9468	-0.27
52100	Columbia County, Wisconsin	31540	1.0069	1.0736	6.62
52110	Crawford County, Wisconsin	99952	0.9494	0.9468	-0.27
52120	Dane County, Wisconsin	31540	1.0707	1.0736	0.27
52130	Dodge County, Wisconsin	99952	0.9494	0.9468	-0.27
52140	Door County, Wisconsin	99952	0.9494	0.9468	-0.27
52150	Douglas County, Wisconsin	20260	1.0213	1.0070	-1.40
52160	Dunn County, Wisconsin	99952	0.9494	0.9468	-0.27
52170	Eau Claire County, Wisconsin	20740	0.9201	0.9647	4.85
52180	Florence County, Wisconsin	99952	0.9494	0.9468	-0.27
52190	Fond Du Lac County, Wisconsin	22540	0.9559	1.0081	5.46
52200	Forest County, Wisconsin	99952	0.9494	0.9468	-0.27
52210	Grant County, Wisconsin	99952	0.9494	0.9468	-0.27

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
52220	Green County, Wisconsin	99952	0.9494	0.9468	-0.27
52230	Green Lake County, Wisconsin	99952	0.9494	0.9468	-0.27
52240	Iowa County, Wisconsin	31540	1.0069	1.0736	6.62
52250	Iron County, Wisconsin	99952	0.9494	0.9468	-0.27
52260	Jackson County, Wisconsin	99952	0.9494	0.9468	-0.27
52270	Jefferson County, Wisconsin	99952	0.9494	0.9468	-0.27
52280	Juneau County, Wisconsin	99952	0.9494	0.9468	-0.27
52290	Kenosha County, Wisconsin	29404	1.0095	1.0406	3.08
52300	Kewaunee County, Wisconsin	24580	0.9481	0.9804	3.41
52310	La Crosse County, Wisconsin	29100	0.9564	0.9442	-1.28
52320	Lafayette County, Wisconsin	99952	0.9494	0.9468	-0.27
52330	Langlade County, Wisconsin	99952	0.9494	0.9468	-0.27
52340	Lincoln County, Wisconsin	99952	0.9494	0.9468	-0.27
52350	Manitowoc County, Wisconsin	99952	0.9494	0.9468	-0.27
52360	Marathon County, Wisconsin	48140	0.9590	0.9740	1.56
52370	Marquette County, Wisconsin	99952	0.9494	0.9468	-0.27
52380	Marquette County, Wisconsin	99952	0.9494	0.9468	-0.27
52381	Menominee County, Wisconsin	99952	0.9494	0.9468	-0.27
52390	Milwaukee County, Wisconsin	33340	1.0146	1.0236	0.89
52400	Monroe County, Wisconsin	99952	0.9494	0.9468	-0.27
52410	Oconto County, Wisconsin	24580	0.9481	0.9804	3.41
52420	Oneida County, Wisconsin	99952	0.9494	0.9468	-0.27
52430	Outagamie County, Wisconsin	11540	0.9264	0.9472	2.25
52440	Ozaukee County, Wisconsin	33340	1.0146	1.0236	0.89
52450	Pepin County, Wisconsin	99952	0.9494	0.9468	-0.27
52460	Pierce County, Wisconsin	33460	1.1075	1.0965	-0.99
52470	Polk County, Wisconsin	99952	0.9494	0.9468	-0.27
52480	Portage County, Wisconsin	99952	0.9494	0.9468	-0.27
52490	Price County, Wisconsin	99952	0.9494	0.9468	-0.27
52500	Racine County, Wisconsin	39540	0.8997	0.9192	2.17
52510	Richland County, Wisconsin	99952	0.9494	0.9468	-0.27
52520	Rock County, Wisconsin	27500	0.9538	0.9672	1.40
52530	Rusk County, Wisconsin	99952	0.9494	0.9468	-0.27
52540	St Croix County, Wisconsin	33460	1.1075	1.0965	-0.99
52550	Sauk County, Wisconsin	99952	0.9494	0.9468	-0.27
52560	Sawyer County, Wisconsin	99952	0.9494	0.9468	-0.27
52570	Shawano County, Wisconsin	99952	0.9494	0.9468	-0.27
52580	Sheboygan County, Wisconsin	43100	0.8911	0.9042	1.47
52590	Taylor County, Wisconsin	99952	0.9494	0.9468	-0.27
52600	Trempealeau County, Wisconsin	99952	0.9494	0.9468	-0.27
52610	Vernon County, Wisconsin	99952	0.9494	0.9468	-0.27
52620	Vilas County, Wisconsin	99952	0.9494	0.9468	-0.27
52630	Walworth County, Wisconsin	99952	0.9494	0.9468	-0.27
52640	Washburn County, Wisconsin	99952	0.9494	0.9468	-0.27
52650	Washington County, Wisconsin	33340	1.0146	1.0236	0.89
52660	Waukesha County, Wisconsin	33340	1.0146	1.0236	0.89
52670	Waupaca County, Wisconsin	99952	0.9494	0.9468	-0.27
52680	Waushara County, Wisconsin	99952	0.9494	0.9468	-0.27
52690	Winnebago County, Wisconsin	36780	0.9211	0.9332	1.31
52700	Wood County, Wisconsin	99952	0.9494	0.9468	-0.27
53000	Albany County, Wyoming	99953	0.9257	0.9311	0.58
53010	Big Horn County, Wyoming	99953	0.9257	0.9311	0.58
53020	Campbell County, Wyoming	99953	0.9257	0.9311	0.58
53030	Carbon County, Wyoming	99953	0.9257	0.9311	0.58
53040	Converse County, Wyoming	99953	0.9257	0.9311	0.58
53050	Crook County, Wyoming	99953	0.9257	0.9311	0.58
53060	Fremont County, Wyoming	99953	0.9257	0.9311	0.58
53070	Goshen County, Wyoming	99953	0.9257	0.9311	0.58
53080	Hot Springs County, Wyoming	99953	0.9257	0.9311	0.58
53090	Johnson County, Wyoming	99953	0.9257	0.9311	0.58
53100	Laramie County, Wyoming	16940	0.8775	0.9076	3.43
53110	Lincoln County, Wyoming	99953	0.9257	0.9311	0.58
53120	Natrona County, Wyoming	16220	0.9026	0.9161	1.50
53130	Niobrara County, Wyoming	99953	0.9257	0.9311	0.58
53140	Park County, Wyoming	99953	0.9257	0.9311	0.58
53150	Platte County, Wyoming	99953	0.9257	0.9311	0.58
53160	Sheridan County, Wyoming	99953	0.9257	0.9311	0.58

ADDENDUM C.—COMPARISON OF HH PPS TRANSITION WAGE INDEX FOR CY 2006 AND PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR CY 2007—Continued

SSA state/ county code	County name	CBSA No.	CY 2006 HH PPS transition wage index	Proposed CY 2007 CBSA- based wage index	Percent change CY 2006–CY 2007
53170	Sublette County, Wyoming	99953	0.9257	0.9311	0.58
53180	Sweetwater County, Wyoming	99953	0.9257	0.9311	0.58
53190	Teton County, Wyoming	99953	0.9257	0.9311	0.58
53200	Uinta County, Wyoming	99953	0.9257	0.9311	0.58
53210	Washakie County, Wyoming	99953	0.9257	0.9311	0.58
53220	Weston County, Wyoming	99953	0.9257	0.9311	0.58
65010	Agana County, Guam	99965	0.9611	0.9611	0.00
65020	Agana Heights County, Guam	99965	0.9611	0.9611	0.00
65030	Agat County, Guam	99965	0.9611	0.9611	0.00
65040	Asan County, Guam	99965	0.9611	0.9611	0.00
65050	Barrigada County, Guam	99965	0.9611	0.9611	0.00
65060	Chalan Pago County, Guam	99965	0.9611	0.9611	0.00
65070	Dededo County, Guam	99965	0.9611	0.9611	0.00
65080	Inarajan County, Guam	99965	0.9611	0.9611	0.00
65090	Maite County, Guam	99965	0.9611	0.9611	0.00
65100	Mangilao County, Guam	99965	0.9611	0.9611	0.00
65110	Merizo County, Guam	99965	0.9611	0.9611	0.00
65120	Mongmong County, Guam	99965	0.9611	0.9611	0.00
65130	Ordot County, Guam	99965	0.9611	0.9611	0.00
65140	Piti County, Guam	99965	0.9611	0.9611	0.00
65150	Santa Rita County, Guam	99965	0.9611	0.9611	0.00
65160	Sinajana County, Guam	99965	0.9611	0.9611	0.00
65170	Talofofo County, Guam	99965	0.9611	0.9611	0.00
65180	Tamuning County, Guam	99965	0.9611	0.9611	0.00
65190	Toto County, Guam	99965	0.9611	0.9611	0.00
65200	Umatac County, Guam	99965	0.9611	0.9611	0.00
65210	Yigo County, Guam	99965	0.9611	0.9611	0.00
65220	Yona County, Guam	99965	0.9611	0.9611	0.00

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H.R. 2977/P.L. 109-252

To designate the facility of the United States Postal Service located at 306 2nd Avenue in Brockway, Montana, as the "Paul Kasten Post Office Building". (Aug. 1, 2006; 120 Stat. 655)

H.R. 3440/P.L. 109-253

To designate the facility of the United States Postal Service located at 100 Avenida RL Rodriguez in Bayamon, Puerto Rico, as the "Dr. Jose Celso Barbosa Post Office Building". (Aug. 1, 2006; 120 Stat. 656)

H.R. 3549/P.L. 109-254

To designate the facility of the United States Postal Service located at 210 West 3rd Avenue in Warren, Pennsylvania, as the "William F. Clinger, Jr. Post Office Building". (Aug. 1, 2006; 120 Stat. 657)

H.R. 3934/P.L. 109-255

To designate the facility of the United States Postal Service located at 80 Killian Road in Massapequa, New York, as the "Gerard A. Fiorenza Post Office Building". (Aug. 1, 2006; 120 Stat. 658)

H.R. 4101/P.L. 109-256

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To designate the facility of the United States Postal Service located at 3000 Homewood Avenue in Baltimore, Maryland, as the "State Senator Verda Welcome and Dr. Henry Welcome Post Office Building". (Aug. 1, 2006; 120 Stat. 660)

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