New York District recently completed a pilot program in which importers of seafood products were allowed to choose between having their products sampled and tested by FDA or by a private laboratory at their own expense. A similar pilot program was conducted in Boston District. The New York and Boston pilot programs are currently being evaluated to see if further pilot studies can be developed to make better use of non-FDA laboratories for monitoring imported products.

Our intention is to improve our current policy and program regarding the use of data from private laboratories. The existing mechanism for the assessment of private laboratories and review of analytical packages may be adequate for our current needs as we move to enhance our use of the private sector for analytical testing, however, we will likely find the need for a more streamlined and effective approach to assessing the competency of a private laboratory and the validity of its test results.

Enhancing FDA's use of private laboratories may also be dependent on the private sector's ability to comply with international standards. As a result, another potential issue for discussion includes the standards for analytical laboratories being developed by the joint Food and Agriculture Organization of the United Nations and World Health Organization's Codex Alimentarius Commission. At the 20th Session of the Codex Committee on Methods of Analysis and Sampling (the Committee), the Committee agreed that certain criteria for quality assurance be adopted by laboratories involved in the official import and export control of foods. The Committee recommendations include compliance with the general criteria for testing laboratories laid down in ISO/IEC Guide 25:1990, ''General Requirements for the Competence of Calibration and Testing Laboratories,'' participation in appropriate proficiency testing schemes, the use validated analytical methods, and the application of internal quality control procedures. These criteria have been referred to the Codex Committee on Food Import and Export Inspection and Certification Systems for consideration and review to be used for the development of objective criteria for assessing the competency of laboratories involved in the testing of foods at the international level. FDA is committed to using international standards whenever appropriate, and to working with international standards organizations like Codex to develop and adopt international standards that provide adequate health protection.

Because of the agency's commitment to international harmonization efforts, the fact that the Committee has made these recommendations is significant to FDA. Successful application of these criteria may be viewed as providing a sound basis for judging the level of quality of both public and private laboratories. Discussion of how (and if) FDA should implement these criteria in evaluating the competency of private laboratories may be included during this workshop.

Attachment—Proposal for the Development of a National Data base on Private Laboratories

An internal FDA-wide private laboratory inventory will be established. This data base is envisioned as being a repository of basic information on private laboratories that routinely submit analytical packages to the agency. The data base will be simple in design serving mainly to foster communication between the Districts.

The following guidance will be issued related to the use of the private laboratory inventory (PLI):

This data base contains information on certain private laboratories that submit analytical results for review to the agency. Private laboratories that do not routinely submit analytical packages to the agency do not appear on this list, since creating a directory of all private laboratories capable of analyzing regulated products, including those laboratories that are associated with regulated industry, or laboratories that have not submitted analytical data for agency review, is not our intention.

The information provided in the PLI is to be used only as a tool to help District personnel make appropriate individual product compliance decisions. The information is not intended to be used as a final evaluation of the acceptability of results for the noted types of analyses from a given private laboratory. As always, Districts should make individual product compliance decisions based on all information available regarding whether or not private laboratory analyses are sufficient to demonstrate product compliance.

This data base may not be treated as an all inclusive listing of private laboratories that are capable of submitting high quality data or analytical results on regulated products to the agency.

The following information will be included in the data base:

Private Laboratory Data
Private Laboratory Name
Private Laboratory Contact/Phone
Complete Mailing Address
Home District Contact/Phone

Submission Data
Type(s) of analytical packages submitted (Chemistry, Micro, Filth, etc)
Date and type of analytical package submission (Date, product, analysis type)
Analysis results
Audit sample results
Narrative describing the audit sample results
Analytical package review (*A*ccepted, accepted with *C*omment, *U*nacceptable)
Analytical package review comments

Private Laboratory Assessment Data
Status of initial assessment records on file per analysis type (complete, in process)
Date of most recent on-site assessment visit per analysis type (month/year)
Narrative results of assessment visit(s) per analysis type.

Dated: May 30, 1996.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 96–14586 Filed 6–7–96; 8:45 am]

BILLING CODE 4160–01–F

Health Care Financing Administration

[MB–098–CN]

RIN 0938–AH30

Medicaid Program; Limitations on Aggregate Payments to Disproportionate Share Hospitals: Federal Fiscal Year 1996; Correction

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Correction notice.

SUMMARY: In the May 9, 1996 issue of the Federal Register (61 FR 21195), we announced the preliminary Federal fiscal year (FFY) 1996 national target and individual State allotments for Medicaid payment adjustments made to hospitals that serve a disproportionate number of Medicaid recipients and low-income patients with special needs. In that notice, we inadvertently omitted the chart that contained the listing of the individual State allotments and the regulation identification number (RIN) in the heading of the notice. In addition, only a portion of the Catalog of Federal Domestic Assistance identification at the end of the document prior to the signatures was included. For the benefit of the readers, we are reprinting the entire notice. The corrected notice reads as follows:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

[MB–098–N]

RIN 0938–AH30

Medicaid Program; Limitations on Aggregate Payments to Disproportionate Share Hospitals: Federal Fiscal Year 1996

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Notice.

SUMMARY: This notice announces the preliminary Federal fiscal year (FFY) 1996 national target and individual

State allotments for Medicaid payment adjustments made to hospitals that serve a disproportionate number of Medicaid recipients and low-income patients with special needs. We are publishing this notice in accordance with the provisions of section 1923(f)(1)(C) of the Social Security Act and implementing regulations at 42 CFR 447.297 through 447.299. The preliminary FFY 1996 State disproportionate share hospital (DSH) allotments published in this notice will be superseded by final FFY 1996 DSH allotments to be published in the Federal Register subsequent to the publication of this notice.

EFFECTIVE DATE: The preliminary DSH payment adjustment expenditure limits included in this notice apply to Medicaid DSH payment adjustments that are applicable to FFY 1996.

FOR FURTHER INFORMATION CONTACT: Richard Strauss, (410) 786–2019

SUPPLEMENTARY INFORMATION:

I. Background

Section 1902(a)(13)(A) of the Social Security Act (the Act) requires States to ensure that their Medicaid payment rates include payment adjustments for Medicaid-participating hospitals that serve a large number of Medicaid recipients and other low-income individuals with special needs (referred to as disproportionate share hospitals (DSHs)). The payment adjustments are calculated on the basis of formulas specified in section 1923 of the Act.

Section 1923(f) of the Act and implementing Medicaid regulations at 42 CFR 447.297 through 447.299 require us to estimate and publish in the Federal Register the national target and each State's allotment for DSH payments for each Federal fiscal year (FFY). The implementing regulations provide that the national aggregate DSH limit for a FFY specified in the Act is a target rather than an absolute cap when determining the amount that can be allocated for DSH payments. The national DSH target is 12 percent of the total amount of medical assistance expenditures (excluding total administrative costs) that are projected to be made under approved Medicaid State plans during the FFY. (Note: Whenever the phrases ''total medical assistance expenditures'' or ''total administrative costs'' are used in this notice, they mean both the State and Federal share of expenditures or costs.)

In addition to the national DSH target, there is a specific State DSH limit for each State for each FFY. The State DSH limit is a specified amount of DSH payment adjustments applicable to a FFY above which FFP will not be available. This is called the ''State DSH allotment''.

Each State's DSH allotment for FFY 1996 is calculated by first determining whether the State is a ''high-DSH State,'' or a ''low-DSH State.'' This is determined by using the State's ''base allotment.'' A State's base allotment is the greater of the following amounts: (1) the total amount of the State's actual and projected DSH payment adjustments made under the State's approved State plan applicable to FFY 1992, as adjusted by HCFA; or (2) $1,000,000.

A State whose base allotment exceeds 12 percent of the State's total medical assistance expenditures (excluding administrative costs) projected to be made in FFY 1996 is referred to as a ''high-DSH State.'' The FFY 1996 State DSH allotment for a high-DSH State is limited to the State's base allotment.

A State whose base allotment is equal to or less than 12 percent of the State's total medical assistance expenditures (excluding administrative costs) projected to be made in FFY 1996 is referred to as a ''low-DSH State.'' The FFY 1996 State DSH allotment for a low-DSH State is equal to the State's DSH allotment for FFY 1995 increased by growth amounts and supplemental amounts, if any. However, the FFY 1996 DSH allotment for a low-DSH State cannot exceed 12 percent of the State's total medical assistance expenditures for FFY 1996 (excluding administrative costs).

A State that is classified as a high-DSH State for one year, because its base allotment exceeds 12 percent of its total medical assistance expenditures for that year, may not continue to meet the high-DSH State definition in other years. That is, if the State's base allotment for another year is equal to or less than 12 percent of its total medical assistance for that year, the State would be classified as a low-DSH State for that year. As a low-DSH State, the State could potentially receive growth for that year.

The growth amount for FFY 1996 is equal to the projected percentage increase (the growth factor) in a low-DSH State's total Medicaid program expenditures between FFY 1995 and FFY 1996 multiplied by the State's final DSH allotment for FFY 1995. Because the national DSH limit is considered a target, low-DSH States whose programs grow from one year to the next can receive a growth amount that would not be permitted if the national limit was viewed as an absolute cap.

There is no growth factor and no growth amount for any low-DSH State whose Medicaid program does not grow (that is, stayed the same or declined) between FFY 1995 and FFY 1996. Furthermore, because a low-DSH State's FFY 1996 DSH allotment cannot exceed 12 percent of the State's total medical assistance expenditures, it is possible for its FFY 1996 DSH allotment to be lower than its FFY 1995 DSH allotment. For example, this occurs when the State experiences a decrease in its program expenditures between FFY 1995 and FFY 1996 and its 1995 FFY DSH allotment is greater than 12 percent of the total projected medical assistance expenditures for the current FFY. This is the case for the State of Rhode Island for FFY 1996.

There is no supplemental amount available for redistribution for FFY 1996. The supplemental amount, if any, is equal to a low-DSH State's proportional share of a pool of funds (the redistribution pool). The redistribution pool is equal to the national 12-percent DSH target reduced by the total of the base allotments for high-DSH States, the total of the State DSH allotments for the previous FFY for low-DSH States, and the total of the low-DSH State growth amounts. Since the sum of these amounts is above the projected FFY 1996 national 12-percent DSH target, there is no redistribution pool and, therefore, no supplemental amounts for FFY 1996.

As prescribed in the law and regulations, no State's DSH allotment will be below a minimum of $1,000,000.

As an exception to the above requirements, under section 1923(f)(1)(A)(I)(II) of the Act and regulations at 42 CFR 447.296(b)(5) and 447.298(f), a State may make DSH payments for a FFY in accordance with the minimum payment adjustments required by Medicare methodology described in section 1923(c)(1) of the Act. The State of Nebraska's preliminary State DSH allotment has been determined in accordance with this exception.

We are publishing in this notice the preliminary FFY 1996 national DSH target and State DSH allotments based on the best available data we received from the States' August 1995 submissions of the Medicaid budget report (Form HCFA–37), as adjusted by HCFA. We intend to publish the final FFY 1996 DSH allotments in the Federal Register subsequent to the publication of this notice.

The final allotments are calculated using actual Medicaid expenditures for FFY 1995 as reported to HCFA on States' quarterly expenditure reports (Form HCFA–64) for FFY 1995 and estimates of Medicaid expenditures for FFY 1996 as reported to HCFA on

States' Form HCFA–37 February 1996 submissions.

II. Calculations of the Preliminary FFY 1996 DSH Limits

The total of the preliminary State DSH allotments for FFY 1996 is equal to the sum of the base allotments for all high-DSH States, the FFY 1995 State DSH allotments for all low-DSH States, and the growth amounts for all low-DSH States. A State-by-State breakdown is presented in section III of this notice.

We classified States as high-DSH or low-DSH States. If a State's base allotment exceeded 12 percent of its total unadjusted medical assistance expenditures (excluding administrative costs) projected to be made under the State's approved plan under title XIX of the Act in FFY 1996, we classified that State as a ''high-DSH'' State. If a State's base allotment was 12 percent or less of its total unadjusted medical assistance expenditures projected to be made under the State's approved plan under title XIX of the Act in FFY 1996, we classified that State as a ''low-DSH'' State. Based on this classification, there are 36 low-DSH States and 14 high-DSH States for FFY 1996.

Using the most recent data from the States' August 1995 budget projections (Form HCFA–37), we estimate the States' FFY 1996 national total medical assistance expenditures to be $160,184,881,000. Thus, the overall preliminary national FFY 1996 DSH expenditure target is $19,222,186,000 (12 percent of $160,184,881,000).

In the preliminary FFY 1996 State DSH allotments, we provide a total of $519,764,000 ($310,963,000 Federal share) in growth amounts for the 36 low-DSH States. The growth factor percentage for each of the low-DSH States was determined by calculating the Medicaid program growth percentage for each low-DSH State between FFY 1995 and FFY 1996. To compute this percentage, we first ascertained each low-DSH State's total FFY 1995 medical assistance and administrative expenditures as reported on the State's August 15, 1995, submission of the Medicaid Budget Report (Form HCFA–37) through the ''cutoff'' date of September 8, 1995. The cutoff date is the date through which the August 1995 Medicaid budget report submission estimates are accepted and applied in preparing the States' Medicaid grant award for the upcoming quarter (October through December 1995). Next, we compared those estimates to each low-DSH State's total estimated unadjusted FFY 1996 medical assistance and administrative expenditures as reported to HCFA on the States' August 1995 Form HCFA–37 submission.

The growth factor percentage was multiplied by the low-DSH States' final FFY 1995 DSH allotment amount to establish the States' preliminary growth amount for FFY 1996.

Since the sum of the total of the base allotments for high-DSH States, the total of the State DSH allotments for the previous FFY for low-DSH States, and the growth for low-DSH States ($19,602,716,000) is greater than the preliminary FFY 1996 national target ($19,222,186,000), there is no preliminary FFY 1996 redistribution pool.

The low-DSH States' growth amount was then added to the low-DSH States' final FFY 1995 DSH allotment amount to establish the preliminary total low-DSH State DSH allotment for FFY 1996. If a State's growth amount, when added to its final FFY 1995 DSH allotment amount, exceeds 12 percent of its FFY 1996 estimated medical assistance expenditures, the State only receives a partial growth amount that, when added to its final FFY 1995 allotment, limits its total State DSH allotment for FFY 1996 to 12 percent of its estimated FFY 1996 medical assistance expenditures. For this reason, six of the low-DSH States received partial growth amounts.

As explained above, Rhode Island's preliminary FFY 1996 DSH allotment is lower than its final FFY 1995 DSH allotment. Also, in accordance with the minimum payment adjustments required by Medicare methodology, Nebraska's FFY 1996 State DSH allotment is $11,000,000.

In summary, the total of all preliminary State DSH allotments for FFY 1996 is $19,602,716,000 ($11,137,851,000 Federal share). This total is composed of the prior FFY's final State DSH allotments ($19,084,239,000) plus growth amounts for all low-DSH States ($519,764,000), minus the amount of reduction in Rhode Island's FFY 1996 DSH allotment ($1,286,000), plus supplemental amounts for low-DSH States ($0). The total of all preliminary FFY 1996 State DSH allotments is 12.2 percent of the total medical assistance expenditures (excluding administrative costs) projected to be made by these States in FFY 1996. The total of all preliminary DSH allotments for FFY 1996 is $380,531,000 over the FFY 1996 national target amount of $19,222,186,000.

Each State should monitor and make any necessary adjustments to its DSH spending during FFY 1996 to ensure that its actual FFY 1996 DSH payment adjustment expenditures do not exceed its preliminary State DSH allotment for FFY 1996 published in this notice. As the ongoing reconciliation between actual FFY 1996 DSH payment adjustment expenditures and the FFY 1996 DSH allotments takes place, each State should amend its plan as may be necessary to make any adjustments to its FFY 1996 DSH payment adjustment expenditure patterns so that the State will not exceed its FFY 1996 DSH allotment.

The FFY 1996 reconciliation of DSH allotments to actual expenditures will take place on an ongoing basis as States file expenditure reports with HCFA for DSH payment adjustment expenditures applicable to FFY 1996. Additional DSH payment adjustment expenditures made in succeeding FFYs that are applicable to FFY 1996 will continue to be reconciled with each State's FFY 1996 DSH allotment as additional expenditure reports are submitted to ensure that the FFY 1996 DSH allotment is not exceeded. As a result, any DSH payment adjustment expenditures for FFY 1996 in excess of the FFY 1996 DSH allotment will be disallowed; and therefore, subject to the normal Medicaid disallowance procedures.

III. Preliminary FFY 1996 DSH Allotments Under Public Law 102–234

KEY TO CHART

Column		Description
Column A	=	Name of State.
Column B	=	Final FFY 1995 DSH Allotments for All States. For a high-DSH State, this is the State's base allotment, which is the greater of the State's FFY 1992 allowable DSH payment adjustment expenditures applicable to FFY 1992, or $1,000,000. For a low-DSH State, this is equal to the final DSH allotment for FFY 1995, which was published in the FEDERAL REGISTER on September 8, 1995.
Column C	=	Growth Amounts for Low-DSH States. This is an increase in a low-DSH State's final FFY 1995 DSH allotment to the extent that the State's Medicaid program grew between FFY 1995 and FFY 1996.
Column D	=	Preliminary FFY 1996 State DSH Allotments. For high-DSH States, this is equal to the base allotment from column B. For low-DSH States, this is equal to the final State DSH allotments for FFY 1995 from column B plus the growth amounts from column C.
Column	E =	High or Low DSH State Designation for FFY 1996. ''High'' indicates the State is a high-, DSH State and ''Low'' indicates the State is a low-DSH State.

BILLING CODE 4120–01–P

PRELIMINARY FEDERAL FISCAL YEAR
1996 DISPROPORTIONATE SHARE HOSPITAL
ALLOTMENTS UNDER PUBLIC LAW 102-234
AMOUNTS ARE STATE AND FEDERAL SHARES
DOLLARS ARE IN THOUSANDS (000)

A STATE	B FINAL FFY 95 DSH ALLOTMENTS FOR ALL STATES	C GROWTH AMOUNTS FOR LOW DSH STATES (1)	D PRELIMINARY FFY 96 STATE DSH ALLOTMENTS	E HIGH OR LOW DSH STATE DESIGNATION
AL	$417,458	NOT APPLICABLE	$417,458	HIGH
AK	$20,600	$1,801	$22,401	LOW
AR	$3,338	$256	$3,594	LOW
CA	$2,191,451	NOT APPLICABLE	$2,191,451	HIGH
CO	$302,014	NOT APPLICABLE	$302,014	HIGH
CT	$408,933	NOT APPLICABLE	$408,933	HIGH
DE	$7,069	$901	$7,970	LOW
DC	$46,505	$971	$47,476	LOW
FL	$334,183	$41,166	$375,350	LOW
GA	$409,142	$35,110	$444,252	LOW
HI	$82,686	$397	$83,084	LOW
ID	$2,085	$236	$2,320	LOW
IL	$452,172	$4,146	$456,317	LOW
IN	$286,634	$54,922	$341,555	LOW
IA	$6,121	$489	$6,610	LOW
KS	$188,935	NOT APPLICABLE	$188,935	HIGH
KY	$264,289	$15,030	$279,319	LOW
LA	$1,217,636	NOT APPLICABLE	$1,217,636	HIGH
ME	$165,317	NOT APPLICABLE	$165,317	HIGH
MD	$143,100	$11,009	$154,109	LOW
MA	$575,289	$34,386	$609,676	LOW
MI	$674,005	$47,527	$721,531	LOW
MN	$61,398	$3,702	$65,100	LOW
MS	$183,200	$9,024	$192,224	LOW
MO	$731,894	NOT APPLICABLE	$731,894	HIGH
MT	$1,342	$108	$1,450	LOW
NE (3)	$11,000	NOT APPLICABLE	$11,000	LOW
NV	$73,560	NOT APPLICABLE	$73,560	HIGH
NH	$392,006	NOT APPLICABLE	$392,006	HIGH
NJ	$1,094,113	NOT APPLICABLE	$1,094,113	HIGH
NM	$17,303	$1,781	$19,084	LOW
NY	$3,023,871	$23,699	$3,047,571	LOW
NC	$430,106	$69,386	$499,491	LOW
ND	$1,203	$51	$1,254	LOW
OH	$629,925	$54,502	$684,427	LOW
OK	$24,225	$1,611	$25,836	LOW
OR	$31,413	$1,626	$33,039	LOW
PA	$967,407	NOT APPLICABLE	$967,407	HIGH
RI (2)	$110,901	NOT APPLICABLE	$109,615	LOW
SC	$439,759	NOT APPLICABLE	$439,759	HIGH
SD	$1,443	$105	$1,548	LOW
TN	$430,611	$50,955	$481,566	LOW
TX	$1,513,029	NOT APPLICABLE	$1,513,029	HIGH
UT	$5,943	$451	$6,394	LOW
VT	$29,081	$2,678	$31,758	LOW
VA	$204,798	$15,237	$220,035	LOW
WA	$336,527	$22,152	$358,680	LOW
WV	$126,094	$13,827	$139,920	LOW
WI	$11,605	$412	$12,018	LOW
WY	$1,520	$112	$1,631	LOW
TOTAL	$19,084,239	$519,764	$19,602,716	

NOTES:

(1) THERE WAS 1 LOW DSH STATE THAT HAD NEGATIVE GROWTH AND 5 LOW DSH STATES THAT RECEIVED PARTIAL GROWTH UP TO 12 PERCENT OF FFY 96 MAP.

(2) DUE TO NEGATIVE GROWTH, ALLOTMENT LIMITED TO 12 PERCENT OF FFY 96 MAP

(3) ALLOTMENT BASED UPON MINIMUM PAYMENT ADJUSTMENT AMOUNT.

BILLING CODE 4120–01–C

IV. Regulatory Impact Statement

We generally prepare a regulatory flexibility analysis that is consistent with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 through 612), unless we certify that a notice would not have a significant economic impact on a substantial number of small entities. For purposes of the RFA, States and individuals are not considered small entities. However, providers are considered small entities. Additionally, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a notice may have a significant impact on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 604 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 50 beds.

This notice sets forth no changes in our regulations; rather, it reflects the DSH allotments for each State as determined in accordance with §§ 447.297 through 447.299.

We have discussed the method of calculating the preliminary FFY 1996 national aggregate DSH target and the preliminary FFY 1996 individual State DSH allotments in the previous sections of this notice. These calculations should have a positive impact on payments to DSHs. Allotments will not be reduced for high-DSH States since we interpret the 12-percent limit as a target. Low-DSH States will get their prior FFY DSH allotments plus their growth amounts.

In accordance with the provisions with Executive Order 12886, this notice was reviewed by the Office of Management and Budget.

(Catalog of Federal Assistance Program No. 93.778, Medical Assistance Program)

Dated: February 21, 1996.

Bruce C. Vladeck,

Administrator, Health Care Financing Administration.

Dated: April 5, 1996.

Donna E. Shalala,

Secretary.

(Sec. 1102 of the Social Security Act; 42 U.S.C. 1302)

Dated: June 4, 1996.

Neil J. Stillman,

Deputy Assistant Secretary for Information Resources Management.

[FR Doc. 96–14595 Filed 6–7–96; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Request for Information Relevant to the Issuance of Import Permits for Argali Sheep From Mongolia, Kyrgyzstan, and Tajikistan

ACTION: Notice.

SUMMARY: The U.S. Fish and Wildlife Service (Service) has been notified that Mongolia, Kyrgyzstan, and Tajikistan have established export quotas for sport-hunted trophies of argali sheep (*Ovis ammon ammon*, *Ovis ammon darwini*, and *Ovis ammon polii*). The Service requests information on argali population status and management in these three countries to be considered in processing permit applications.

DATES: Information from all interested parties must be received by August 9, 1996.

ADDRESSES: Comments, information, and questions should be addressed to the Chief, Office of Management Authority, 4401 North Fairfax Drive, Room 430, Arlington, Virginia 22203. Fax Number (703) 358–2280. Comments and other information received will be available for public inspection, by appointment from 8:00 a.m. to 4:00 p.m., Monday through Friday, at the Arlington, Virginia address.

FOR FURTHER INFORMATION CONTACT: Kenneth Stansell, Chief, Office of Management Authority, at the above address or by phone at (703) 358–2093.

SUPPLEMENTARY INFORMATION:

Background

The U.S. Fish and Wildlife Service (Service) classified the argali sheep (*Ovis ammon*) populations as endangered pursuant to the Endangered Species Act of 1973, as amended, effective January 1, 1993, except for the populations in Kyrgyzstan, Mongolia, and Tajikistan (57 FR 28014). At the same time, populations in these three countries were listed as threatened with a special rule that allows for the issuance of threatened species permits for the import of sport-hunted trophies. The special rule also establishes criteria which, if met, would result in the removal of this permit requirement, thus allowing imports in accordance with Sec. 9(c)(2) of the Act.

During the time that this special rule was under legal challenge, the Service proposed reclassifying the argali population in Kyrgyzstan, Mongolia, and Tajikistan from threatened to endangered on April 27, 1993, (58 FR 25595) because of concern about the removal of controls on imports into the United States and the potential for an unlimited number of imports.

After the special rule was sustained by the court, the Service began issuing a limited number of import permits for sport-hunted trophies of argali from Kyrgyzstan and Mongolia, countries with management programs deemed to be sufficient to be able to make the required findings for permit issuance. No permits have been issued for the import of trophies from Tajikistan and the permits for argali from Kyrgyzstan have been limited to those trophies taken in areas believed to be outside the range of *Ovis ammon karelini*.

In 1993, the Service supported a study to obtain additional information on the status and management of argali and enforcement capabilities for this species in Kyrgyzstan, Mongolia, and Tajikistan. This study was conducted and a report prepared by Drs. Anna Luschekina and A. Fedosenko, and availability of the report was announced in the March 12, 1994, Federal Register notice (59 FR 13302).

In 1994, Mongolia imposed export quotas of 5 and 10 argali trophies from southeastern and western portions of Mongolia, respectively, representing the range of *Ovis ammon darwini* and *Ovis ammon ammon*. The quotas were increased to 10 animals in each area in 1995 and again in 1996. A portion of the licensing fees have gone toward activities contributing to enhancement of management and conservation of the argali, including population surveys and waterhole construction.

Kyrgyzstan imposed an export quota of 16 argali trophies in 1995 from hunting area(s) in the Naryn area, the range of *Ovis ammon polii*. The quota was increased to 20 for 1996. A portion of the licensing fees have gone toward the management of argali. The Government of Kyrgyzstan, having already established reserves for *Ovis ammon karelini*, is committed to establishing reserves for *Ovis ammon polii*.

The Service has received information from a hunting outfitter indicating that Tajikistan has established a hunting quota of 20 argali trophies for 1996. The Service is currently seeking confirmation of this information with the Ministry of Nature Conservation in Tajikistan. A survey of argali in the eastern Pamirs region of Tajikistan by A.K. Fedosenko, has been recently received by the Service and is available upon request. This report indicates there was a quota of 12–15 argali trophies in previous hunting seasons.

With the retention of import controls established in the special rule and without evidence that the status or