issue codified regulations to implement the provisions of the Circular. This announcement notifies the public that the provisions of OMB Circular A–87 as published in the Federal Register on May 17, 1995 (60 FR 26484) are applicable to 15 CFR Part 24.22.

Executive Orders 12866 and 12875

This announcement has been determined to be ''not significant'' for purposes of Executive Order 12866, ''Regulatory Planning and Review.'' In addition, it has been determined that, consistent with the requirements of Executive Order 12875, ''Enhancing Intergovernmental Partnership,'' this announcement will not impose any unfunded mandates upon State, local, and tribal governments.

Administrative Procedures Act and Regulatory Flexibility Act

Because notice and comment, and delayed effective date are not required under 5 U.S.C. 553, or any other law, for this announcement relating to public property, loans, grants, benefits, or contracts (5 USC 553(a)), a Regulatory Flexibility Analysis is not required and has not been prepared for this announcement. As stated above, this announcement is based on the revised OMB Circular A–87 that was developed by an interagency task force and received extensive public comment. OMB has stipulated that Federal agencies responsible for administering programs that involve cost reimbursement contracts, grants, and other agreements with governmental units shall issue codified regulations to implement the provisions of OMB Circular A–87 and its attachments.

Executive Order 12612 (Federalism Assessment)

This action has been reviewed in accordance with the principles and criteria contained in Executive Order 12612. It has been determined that this proposal does not have sufficient Federalism implications to warrant a full Federalism Assessment under the principles and criteria contained in Executive Order 12612.

Paperwork Reduction Act

This announcement does not contain any information collection requirements under the Paperwork Reduction Act.

Catalog of Federal Domestic Assistance

This announcement affects all of the grant and cooperative agreement programs administered by DOC under which State, local, and Indian tribal governments may participate.

List of Subjects in 15 CFR Part 24

Accounting, Grant programs, Grant administration, Insurance Reporting and recordkeeping requirements.

Sonya G. Stewart,

Director for Executive Budgeting and Assistance Management.

[FR Doc. 96–13107 Filed 5–23–96; 8:45 am]

BILLING CODE 3510–FA–M

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Parts 1500 and 1507

Large Multiple-tube Fireworks Devices; Affirmation of Final Rule

AGENCY: Consumer Product Safety Commission.

ACTION: Affirmation of final rule.

SUMMARY: The Commission announces that it has received no objections to its final rule amending its fireworks regulations under the Federal Hazardous Substances Act that was published on March 26, 1996 (61 FR 13084). Accordingly, the rule will go into effect on March 26, 1997, as originally provided. This final rule will require that large multiple-tube fireworks devices that have any tube with an inner diameter of 1.5 inches (3.8 cm) or greater pass a performance test for stability.

EFFECTIVE DATE: The rule published March 26, 1996 (61 FR 13084) is effective March 26, 1997.

FOR FURTHER INFORMATION CONTACT: Samuel B. Hall, Office of Compliance, Consumer Product Safety Commission, Washington, DC 20207–0001; telephone (301) 504–0400, ext. 1371.

SUPPLEMENTARY INFORMATION: On March 26, 1996, the Commission issued a final rule amending its fireworks regulations under the Federal Hazardous Substances Act. 61 FR 13084, corrected 61 FR 18245 (April 25, 1996). This final rule will require that large multiple-tube fireworks devices that have any tube with an inner diameter of 1.5 inches (3.8 cm) or greater pass a performance test for stability. Under the test, these devices may not tip over when inclined at an angle of 60 degrees from the horizontal. This requirement is intended to reduce the risk of injury posed when these fireworks devices tip over during firing. If they tip over, subsequent tubes may discharge in the direction of spectators or others in the vicinity.

A proceeding to classify a substance as a banned hazardous substance under section 2(q)(1) of the FHSA is governed by sections 3(f)–(i) of the FHSA, and by sections 701(e)–(g) of the Federal Food, Drug, and Cosmetic Act (''FDCA''), 21 U.S.C. 371(e)–(g). See 15 U.S.C. 1261(q)(2). These procedures provide that once the Commission issues a final rule, persons who would be adversely affected by the rule have 30 days in which to file objections with the Commission stating the grounds therefor, and to request a public hearing on those objections. 21 U.S.C. 371(e). This period for objections expired on April 25, 1996.

The Commission is required to publish a notice in the Federal Register specifying any parts of the regulation that have been stayed by the filing of proper objections or, if no objections have been filed, stating that fact. By this notice, the Commission states that no objections to the final rule were filed in this proceeding. Accordingly, the rule will go into effect on March 26, 1997, as originally provided. The rule will apply to the subject multiple-tube fireworks devices that first enter interstate commerce or are imported on or after the effective date.

Dated: May 20, 1996.

Sadye E. Dunn,

Secretary, Consumer Product Safety Commission.

[FR Doc. 96–13046 Filed 5–23–96; 8:45 am]

BILLING CODE 6355–01–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Parts 1, 2, and 3

[T.D. ATF–373]

RIN 1512–AB43

Basic Permit Requirements Under the Federal Alcohol Administration Act, Nonindustrial Use of Spirits and Wine, Bulk Sales and Bottling of Distilled Spirits (95R–023P)

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Department of the Treasury.

ACTION: Final Rule, Treasury decision.

SUMMARY: As part of a regulatory reform initiative, the Bureau of Alcohol, Tobacco and Firearms (ATF) is revising and recodifying the regulations covering the basic permit requirements, the nonindustrial use of spirits and wine, and the bulk sales and bottling of distilled spirits under the Federal Alcohol Administration Act. Changes include consolidating 27 CFR parts 1, 2, and 3 into a single part 1 for ease of use and minor technical corrections.

EFFECTIVE DATE: May 24, 1996.

FOR FURTHER INFORMATION CONTACT: David Brokaw, Wine, Beer and Spirits Regulations Branch, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226 (202) 927–8230.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 27 CFR parts 1, 2, and 3 implement various provisions of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 201 *et seq.* The regulations in part 1 govern the issuance, amendment, denial, revocation, suspension, automatic termination, and annulment of basic permits. These regulations implement sections 103 and 104 of the FAA Act, 27 U.S.C. 203 and 204, which requires basic permits of persons engaged in business as importers, producers, or wholesalers of distilled spirits, wine, or malt beverages. The FAA Act defines the terms ''distilled spirits'' and ''wine'' to include only products for ''nonindustrial'' use. The regulations in part 2 specify the uses of distilled spirits and wine that are deemed ''nonindustrial,'' as that term is used in section 117 of the FAA Act, 27 U.S.C. 211(a) (5) and (a) (6). Finally, section 106 of the FAA Act, 27 U.S.C. 206, provides that bulk distilled spirits may only be sold to certain classes of persons, including distillers, winemakers for the fortification of wine, operators of class 8 Customs bonded warehouses, and agencies of the United States or any State. The regulations in part 3 implement these provisions.

On February 21, 1995, President Clinton announced a regulatory reform initiative. As part of this initiative, each Federal agency was instructed to conduct a page by page review of all agency regulations to identify those which are obsolete or burdensome and those whose goals could be better achieved through the private sector, self-regulation or State and local governments. In cases where the agency's review disclosed regulations which should be revised or eliminated, the agency would, as soon as possible, propose administrative changes to the regulations. In addition, on April 13, 1995, the Bureau published Notice No. 809 (60 FR 18783), which requested comments from the public regarding which ATF regulations could be improved or eliminated.

ATF did not receive any specific comments from the public regarding 27 CFR parts 1, 2, and 3. However, in keeping with the President's regulatory reform initiative, the Bureau has decided to consolidate parts 1, 2, and 3 into a single part 1 for ease of use. This consolidation will eliminate some of the duplicative material, such as definitions of terms under the FAA Act which may be found in more than one part.

ATF is also making certain minor technical corrections in the new part 1. References to sections of the FAA Act have been corrected to reflect the changes in section numbering arising out of the enactment of the Alcoholic Beverage Labeling Act of 1988, Pub.L. 100–690. Definitions of the terms ''distilled spirits'' and ''wine'' which refer to sections of the FAA Act have been clarified by adding citations to Title 27 of the United States Code. Conforming changes to the regulations which define the ''nonindustrial'' uses of distilled spirits and wines have been made to reflect technical amendments to the sections of the Internal Revenue Code of 1986 which set forth the conditions under which distilled spirits and wines may be withdrawn free of tax. *See* 26 U.S.C. 5214 (a) (2) and 5362 (c) (9). Finally, references in section 1.30 to the form for executing a power of attorney have been updated to refer to Form 5000.8 (1534), to reflect the new number for that form. ATF is making several other minor technical changes in the regulations.

Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1980, Pub. L. 96–511, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this rule because no new requirement to collect information is imposed.

Regulatory Flexibility Act

Because no notice of proposed rulemaking is required for this rule, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply.

Executive Order 12866

It has been determined that this rule is not a significant regulatory action because it will not, (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 Executive Order 12866.

Administrative Procedures Act

Because this final rule merely makes technical amendments and conforming changes to improve the clarity of the regulations, it is unnecessary to issue this final rule with notice and public procedure under 5 U. S. C. 553(b). Similarly, it is unnecessary to subject this final rule to the effective date limitation of 5 U.S.C. 553(d).

Drafting Information

The principal author of this document is David W. Brokaw, Wine, Beer, and Spirits Regulations Branch, Bureau of Alcohol, Tobacco, and Firearms.

List of Subjects in 27 CFR Part 1

Administrative practices and procedures, Alcohol and alcoholic beverages, Authority delegations, Imports, Liquors, Warehouses, and Wine.

Authority and Issuance

PARTS 2 AND 3—[REMOVED]

Paragraph 1. Title 27 Code of Federal Regulations parts 2 and 3 are removed and part 1 is revised as follows:

PART 1—BASIC PERMIT REQUIREMENTS UNDER THE FEDERAL ALCOHOL ADMINISTRATION ACT, NONINDUSTRIAL USE OF DISTILLED SPIRITS AND WINE, BULK SALES AND BOTTLING OF DISTILLED SPIRITS

Subpart A—Scope

Sec.
1.1 General.
1.2 Territorial extent.
1.3 Forms prescribed.

Subpart B—Definitions

1.4 Meaning of terms.

Subpart C—Basic Permits

When Required

1.20 Importers.
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1.22 Wholesalers.
1.23 State agencies.

Persons Entitled to Basic Permits

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1.26 Incomplete or incorrectly executed applications.
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Authorization

1.35 Authority to issue, amend, deny, suspend, revoke, or annul basic permits.

Amendment and Duration of Basic Permits

1.40 Change of name.
1.41 Change of address.
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1.43 Duration of permits.
1.44 Automatic termination of permits.
Revocation, Suspension, or Annulment of Basic Permits
1.50 Revocation or suspension.
1.51 Annulment.
1.52 Disposition of stocks of alcoholic beverages upon revocation, annulment, or automatic termination of basic permit.

Miscellaneous

1.55 Recalling permits for correction.
1.56 Oaths and affirmations.
1.57 Procedure.
1.58 Filing of permits.
1.59 Public information as to applications acted upon.

Subpart D—Nonindustrial Use of Distilled Spirits and Wine

Uses Regarded as Industrial

1.60 Use of distilled spirits.
1.61 Use of wine.
1.62 Use of distilled spirits or wine for experimental purposes and in manufacture of nonbeverage products.

Uses Classed as Nonindustrial

1.70 General.
1.71 Distilled spirits in containers of a capacity of one gallon or less.

Subpart E—Bulk Sales and Bottling of Distilled Spirits

Bulk Sales and Bottling

1.80 Sales of distilled spirits in bulk.
1.81 Importation of distilled spirits in bulk.
1.82 Acquiring or receiving distilled spirits in bulk for redistillation, processing, rectification, warehousing, or warehousing and bottling.
1.83 Acquiring or receiving distilled spirits in bulk for addition to wine.
1.84 Acquisition of distilled spirits in bulk by Government agencies.

Warehouse Receipts

1.90 Distilled spirits in bulk.
1.91 Bottled distilled spirits.

Sales of Distilled Spirits for Industrial Use

1.95 General.

Authority: 27 U.S.C. 203, 204, 206, 211 unless otherwise noted.

Subpart A—Scope

§ 1.1 General.

(a) The regulations in this part relate to requirements governing the issuance, amendment, denial, revocation, suspension, automatic termination, and annulment of basic permits and the duration of permits, except that the provisions of part 200, Rules of Practice in Permit Proceedings, of this chapter are hereby made applicable to administrative proceedings with respect to the application for, and to the suspension, revocation, or annulment of, basic permits under the Federal Alcohol Administration Act.

(b) The regulations in this part also specify what uses of distilled spirits and wine are ''nonindustrial,'' as that term is used in section 117 of the Federal Alcohol Administration Act (27 U.S.C. 211). Finally, this part, in accordance with section 106 of the Federal Alcohol Administration Act (27 U.S.C. 206), contains the substantive requirements relative to bulk sales and bottling of distilled spirits under the Federal Alcohol Administration Act, including the terms of warehouse receipts for distilled spirits in bulk. No procedural requirements are prescribed.

§ 1.2 Territorial extent.

The provisions of this part are applicable to the several States of the United States, the District of Columbia and Puerto Rico.

§ 1.3 Forms prescribed.

(a) The Director is authorized to prescribe all forms required by this part. All of the information called for in each form shall be furnished as indicated by the headings on the form and the instructions on or pertaining to the form. In addition, information called for in each form shall be furnished as required by this part.

(b) Requests for forms should be mailed to the ATF Distribution Center, PO Box 5950, Springfield, Virginia 22153–5950

Subpart B—Definitions

§ 1.4 Meaning of terms.

As used in this part, unless the context otherwise requires, terms shall have the meaning ascribed in this part.

Act. The Federal Alcohol Administration Act.

Alcohol. Ethyl alcohol distilled at or above 190° proof.

Applicant. Any person who has filed with the regional director (compliance) an application for a basic permit under the Federal Alcohol Administration Act.

ATF officer. An officer or employee of the Bureau of Alcohol, Tobacco and Firearms (ATF) authorized to perform any function relating to the administration and enforcement of this part.

Basic permit. A formal document issued under the Act in the form prescribed by the Director, authorizing the person named therein to engage in the activities specified at the location stated.

Brandy. Brandy or wine spirits for addition to wines as permitted by internal revenue law.

Director. The Director, Bureau of Alcohol, Tobacco and Firearms, the Department of the Treasury, Washington, DC.

Distilled spirits. Section 117(a) of the Federal Alcohol Administration Act (27 U.S.C. 211(a)) defines ''distilled spirits'' as ethyl alcohol, hydrated oxide of ethyl, spirits of wine, whiskey, rum, brandy, gin, and other distilled spirits, including all dilutions and mixtures thereof for nonindustrial use.

In bulk. Distilled spirits in containers having a capacity in excess of one wine gallon.

Other term. Any other term defined in the Federal Alcohol Administration Act and used in this part shall have the same meaning assigned to it by the Act.

Permittee. Any person holding a basic permit issued under the Federal Alcohol Administration Act.

Person. Any individual, partnership, joint-stock company, business trust, association, corporation, or other form of business enterprise, including a receiver, trustee, or liquidating agent.

Regional director (compliance). The principal ATF regional official responsible for administering regulations in this part.

Resale at wholesale. A sale to any trade buyer.

Trade buyer. Any person who is a wholesaler or retailer of distilled spirits, wine, or malt beverages.

Wine. Section 117(a) of the Federal Alcohol Administration Act (27 U.S.C. 211(a)) defines ''wine'' as:

(a) Wine as defined in section 610 and section 617 of the Revenue Act of 1918 (26 U.S.C. 5381–5392), as now in force or hereafter amended, and

(b) Other alcoholic beverages not so defined, but made in the manner of wine, including sparkling and carbonated wine, wine made from condensed grape must, wine made from other agricultural products than the juice of sound, ripe grapes, imitation wine, compounds sold as wine, vermouth, cider, perry, and sake; in each instance, only if containing not less than 7 percent and not more than 24 percent of alcohol by volume, and if for nonindustrial use.

Wine gallon. The liquid measure equivalent to the volume of 231 cubic inches.

Subpart C—Basic Permits

When Required

§ 1.20 Importers.

No person, except pursuant to a basic permit issued under the Act, shall:

(a) Engage in the business of importing into the United States distilled spirits, wine, or malt beverages; or

(b) While so engaged, sell, offer or deliver for sale, contract to sell, or ship, in interstate or foreign commerce, directly or indirectly or through an affiliate, distilled spirits, wine, or malt beverages so imported.

§ 1.21 Domestic producers, rectifiers, blenders, and warehousemen.

No person, except pursuant to a basic permit issued under the Act, shall:

(a) Engage in the business of distilling distilled spirits, producing wine, rectifying or blending distilled spirits or wine, or bottling, or warehousing and bottling, distilled spirits; or

(b) While so engaged, sell, offer or deliver for sale, contract to sell, or ship, in interstate or foreign commerce, directly or indirectly or through an affiliate, distilled spirits or wine so distilled, produced, rectified, blended, or bottled, or warehoused and bottled.

§ 1.22 Wholesalers.

No person, except pursuant to a basic permit issued under the Act, shall:

(a) Engage in the business of purchasing for resale at wholesale, distilled spirits, wine, or malt beverages; or,

(b) While so engaged, receive, sell, offer or deliver for sale, contract to sell, or ship in interstate or foreign commerce, directly or indirectly or through an affiliate, distilled spirits, wine, or malt beverages so purchased.

§ 1.23 State agencies.

This subpart shall not apply to any agency of a State or political subdivision thereof or to any officer or employee of any such agency, and no such agency or officer or employee thereof shall be required to obtain a basic permit under this subpart.

Persons Entitled to Basic Permits

§ 1.24 Qualifications of applicants.

The application of any person shall be granted and the permit issued by the regional director (compliance) if the applicant proves to the satisfaction of the regional director (compliance) that:

(a) Such person (or in case of a corporation, any of its officers, directors, or principal stockholders) has not, within 5 years prior to the date of application, been convicted of a felony under Federal or State law, and has not, within 3 years prior to date of application, been convicted of a misdemeanor under any Federal law relating to liquor, including the taxation thereof; and

(b) Such person, by reason of the person's business experience, financial standing or trade connections, is likely to commence operations as a distiller, warehouseman and bottler, rectifier, wine producer, wine blender, importer, or wholesaler, as the case may be, within a reasonable period and to maintain such operations in conformity with Federal law; and

(c) The operations proposed to be conducted by such person are not in violation of the law of the State in which they are to be conducted.

Applications for Permits

§ 1.25 General.

Applications for basic permits to engage in any of the operations set forth in §§ 1.20 to 1.22 shall be made on the appropriate form prescribed by the Director, verified as required by § 1.56, and shall be accompanied by such affidavits, documents, and other supporting data, as the Director or the regional director (compliance) shall require. All data, written statements, affidavits, documents, or other evidence submitted in support of the application, or upon hearing thereon, shall be deemed to be a part of the application. All applications shall be filed by mailing or delivering the same to the office of the regional director (compliance).

§ 1.26 Incomplete or incorrectly executed applications.

Incomplete or incorrectly executed applications will not be acted upon, but the applicant shall be entitled to file a new application without prejudice, or to complete the application already filed.

§ 1.27 Change in ownership, management, or control of the applicant.

In the event of any change in the ownership, management, or control of the applicant (in case of a corporation, any change in the officers, directors, or persons holding more than 10 percent of the corporate stock), after the date of filing of any application for a basic permit and prior to final action on such application, the applicant shall notify the regional director (compliance) immediately of such change.

§ 1.29

Individual plant or premises.

An application for a basic permit must be filed, and permit issued, to cover each individual plant or premises where any of the businesses specified in section 103 of the Act is engaged in, such application to be filed with and permit issued by the regional director (compliance) for the region wherein such plant or premises is located.

§ 1.30 Power of attorney; Form 5000.8 (1534).

If the application and other documents in support of such application are signed by an attorney in fact of an individual, partnership, association, or corporation, or by one of the members of a copartnership or association, or, in the case of a corporation by an officer or other person not authorized by the corporation's bylaws or by its board of directors to sign such applications and supporting documents, the applications must be supported by a duly authenticated copy of the power of attorney conferring authority upon the person signing the documents to execute the same. Such powers of attorney will be executed on Form 5000.8 (1534), in triplicate, and submitted to the regional director (compliance).

(Approved by the Office of Management and Budget under control number 1512–0079)

§ 1.31 Denial of permit applications.

If, upon examination of any application for a basic permit, the regional director (compliance) has reason to believe that the applicant is not entitled to such a permit, the regional director (compliance) shall institute proceedings for the denial of the application in accordance with the procedure set forth in part 200 of this chapter.

Authorization

§ 1.35 Authority to issue, amend, deny, suspend, revoke, or annul basic permits.

The authority and power of issuing, amending, or denying basic permits, or amendments thereof, is conferred upon the Director and (except as to agency initiated curtailment) upon the regional director (compliance). The authority and power of suspending, revoking, or annulling basic permits is conferred upon the Director, and upon the administrative law judges referred to in part 200 of this chapter. The Director, upon consideration of appeals on petitions for review, may order the regional director (compliance) to issue, deny, suspend, revoke, or annul basic permits.

Amendment and Duration of Basic Permits

§ 1.40 Change of name.

In the event of any change in the name (trade or corporate name) of a permittee, or, in the event a permittee desires to engage in operations under an additional trade name, such permittee must file application Form 5100.18 (1643), with the regional director (compliance), for an amended basic

permit, which application must be approved, and amended permit issued, before operations may be commenced under the new name.

(Approved by the Office of Management and Budget under control number 1512–0090)

§ 1.41 Change of address.

In the event of a change in address the permittee must file application Form 5100.18 (1643), with the regional director (compliance), for an amended basic permit.

§ 1.42 Change in ownership, management, or control of business.

In the event of any change in the ownership, management, or control of any business operated pursuant to a basic permit (if the permittee is a corporation, if any change occurs in the officers, directors, or persons owning or controlling more than 10 percent of the voting stock of said corporation) the permittee shall immediately notify the regional director (compliance) of such change, giving the names and addresses of all new persons participating in the ownership, management, or control of such business, or in the case of a corporation, the names and addresses of such new officers, directors, or persons owning or controlling more than 10 percent of the voting stock. Notice to the regional director (compliance) of any such change shall be accompanied or supplemented by such data in reference to the personal or business history of such persons as the regional director (compliance) may require.

§ 1.43 Duration of permits.

A basic permit shall continue in effect until suspended, revoked, annulled, voluntarily surrendered, or automatically terminated, as provided in the Act and in this part.

§ 1.44 Automatic termination of permits.

No basic permit shall be leased, sold, or otherwise voluntarily transferred, and, in the event of such lease, sale, or other voluntary transfer, such basic permit shall automatically terminate thereupon. If any basic permit is transferred by operation of law or if actual or legal control of the permittee is acquired, directly or indirectly whether by stock ownership or in any other manner, by any person, then such permit shall be automatically terminated at the expiration of 30 days thereafter: Provided, That if within such 30-day period application for a new basic permit is made by the transferee or permittee, respectively, then the outstanding basic permit shall continue in effect until such time as the application is finally acted upon.

Revocation, Suspension, or Annulment of Basic Permits

§ 1.50 Revocation or suspension.

Whenever the regional director (compliance) has reason to believe that any permittee has willfully violated any of the conditions of the permittee's basic permit or has not engaged in the operations authorized by the permit for a period of more than two years, the regional director (compliance) shall institute proceedings for the revocation or suspension of such permit, in accordance with the procedure set forth in part 200 of this chapter, which part is made applicable to such proceedings.

§ 1.51 Annulment.

Whenever the regional director (compliance) has reason to believe that any basic permit was procured through fraud, or misrepresentation or concealment of material fact, the regional director (compliance) shall institute proceedings for the annulment of such permit in accordance with the procedure set forth in part 200 of this chapter, which part is made applicable to such proceedings.

§ 1.52 Disposition of stocks of alcoholic beverages upon revocation, annulment, or automatic termination of basic permit.

In the event of the revocation or annulment of a basic permit, pursuant to part 200 of this chapter, or in the event such permit is automatically terminated by operation of law (27 U.S.C. 204(g) and § 1.44 of this part), the regional director (compliance) may authorize the orderly disposition of stocks of distilled spirits, wines, or malt beverages then held by the permittee or former permittee upon such conditions as may be considered proper.

Miscellaneous

§ 1.55 Recalling permits for correction.

Whenever it shall be discovered that any basic permit has been issued authorizing acts, or combinations of acts, which may not properly, under the law and regulations, as of now or hereafter in force, be authorized, or that any material mistake has occurred in the issuance thereof, the holder of such permit shall forthwith surrender the same for correction or amendment upon demand of the regional director (compliance).

§ 1.56 Oaths and affirmations.

Any document required by regulations or instructions of the Director to be verified, shall be so verified upon oath or affirmation taken before a person authorized by the laws of the United States or by State or local law to administer oaths or affirmations in the jurisdiction wherein such document is to be executed.

§ 1.57 Procedure.

The procedures prescribed by the rules of practice in permit proceedings (part 200 of this chapter) are applicable to administrative proceedings for the issuance, amendment, denial, revocation, suspension, or annulment of basic permits, the issuance of subpoenas and the taking of depositions under the Act.

§ 1.58 Filing of permits.

Every person receiving a basic permit under the provisions of this part must file the same, at the place of business covered by the basic permit, so that it may be examined by ATF officers.

§ 1.59 Public information as to applications acted upon.

The regional director (compliance) shall cause to be maintained currently in the regional director's (compliance) office for public inspection, until the expiration of one year following final action on the application, the following information with respect to each application for basic permit filed:

(a) The name, including trade name or names, if any, and the address of the applicant; the kind of permit applied for and the location of the business; whether the applicant is an individual, a partnership or a corporation; if a partnership, the name and address of each partner; if a corporation, the name and address of each of the principal officers and of each stockholder owning 10 percent or more of the corporate stock.

(b) The time and place set for any hearing on the application.

(c) The final action taken on the application. In the event a hearing is held upon an application for a basic permit, the regional director (compliance) shall make available for inspection at the regional director's (compliance) office, upon request therefor: The transcript of the hearing, a copy of the administrative law judge's recommended decision, a copy of the regional director's (compliance) decision and, in the event of an appeal to the Director, the decision on appeal with the reasons given in support thereof.

Subpart D—Nonindustrial Use of Distilled Spirits and Wine

Uses Regarded as Industrial

§ 1.60 Use of distilled spirits.

The following uses of distilled spirits are regarded as ''industrial'' and will be

excluded from any application of the term ''nonindustrial use.'' The use of distilled spirits:

(a) Free of tax by, and for the use of, the United States or any governmental agency thereof, any State, any political subdivision of a State, or the District of Columbia, for nonbeverage purposes; or

(b) Free of tax for nonbeverage purposes and not for resale or use in the manufacture of any product for sale:

(1) For the use of any educational organization described in 26 U.S.C. 170(b)(1)(A)(ii) which is exempt from income tax under 26 U.S.C. 501(a), or for the use of any scientific university or college of learning;

(2) For any laboratory for use exclusively in scientific research;

(3) For use at any hospital, blood bank, or sanitarium (including use in making analysis or test at such hospital, blood bank, or sanitarium), or at any pathological laboratory exclusively engaged in making analyses, or tests, for hospitals or sanitariums; or

(4) For the use of any clinic operated for charity and not for profit (including use in compounding of bona fide medicines for treatment outside of such clinics of patients thereof); or

(c) Free of tax, after denaturation of such spirits in the manner prescribed by law for:

(1) Use in the manufacture of ether, chloroform, or other definite chemical substance where such distilled spirits are changed into some other chemical substance and do not appear in the finished product; or

(2) Any other use in the arts and industries (except for uses prohibited by 26 U.S.C. 5273 (b) or (d)) and for fuel, light, and power.

§ 1.61 Use of wine.

The following uses of wine are regarded as ''industrial'' and will be excluded from any application of the term ''nonindustrial''. The use of wine:

(a) Without payment of tax for use in the production of vinegar; or

(b) Free of tax for experimental or research purposes by any scientific university, college of learning, or institution of scientific research; or

(c) Free of tax for use by the United States or any agency thereof, and for use for analysis, testing, research, or experimentation by the governments of the several States and the District of Columbia or of any political subdivision thereof or by any agency of such governments; or

(d) Which has been rendered unfit for beverage use.

§ 1.62 Use of distilled spirits or wine for experimental purposes and in manufacture of nonbeverage products.

The use of distilled spirits or wine for experimental purposes and in the manufacture of (a) medicinal, pharmaceutical, or antiseptic products, including prescriptions compounded by retail druggists; (b) toilet preparations; (c) flavoring extracts, syrups, or food products; or (d) scientific, chemical, mechanical, or industrial products, provided such products are unfit for beverage use, is regarded as ''industrial,'' and will be excluded from any application of the term ''nonindustrial use.''

Uses Classed as Nonindustrial

§ 1.70 General.

All uses of distilled spirits and wines, except as provided in §§ 1.60, 1.61, and 1.62 of this part, are regarded as ''nonindustrial.'' Such ''nonindustrial'' use shall include, but not be limited to, distilled spirits or wine used for beverage purposes, or in the manufacture, rectification, or blending of alcoholic beverages; or in the preparation of food or drink by a hotel, restaurant, tavern, or similar establishment; or for sacramental purposes; or as a medicine.

§ 1.71 Distilled spirits in containers of a capacity of one gallon or less.

Distilled spirits in containers of a capacity of one wine gallon or less, except anhydrous alcohol and alcohol which may be withdrawn free of tax under the internal revenue laws, will be deemed to be for nonindustrial use.

Subpart E—Bulk Sales and Bottling of Distilled Spirits

Bulk Sales and Bottling

§ 1.80 Sales of distilled spirits in bulk.

It is unlawful for any person to sell, offer to sell, contract to sell, or otherwise dispose of distilled spirits in bulk, for nonindustrial use, except for export or to the classes of persons enumerated in §§ 1.82, 1.83, and 1.84.

§ 1.81 Importation of distilled spirits in bulk.

It is unlawful for any person to import distilled spirits in bulk, for nonindustrial use, except for sale to or for use by the classes of persons enumerated in §§ 1.82, 1.83 and 1.84.

§ 1.82 Acquiring or receiving distilled spirits in bulk for redistillation, processing, rectification, warehousing, or warehousing and bottling.

(a) *Proprietors of distilled spirits plants.* Persons holding basic permits (issued under subpart B of this part) authorizing the distilling, processing, rectifying, or warehousing and bottling of distilled spirits, or operating permits (issued under § 19.157 and succeeding sections of this chapter) may acquire or receive in bulk and redistill, warehouse, or process distilled spirits, so far as permitted by law.

(b) *Proprietors of class 8 customs bonded warehouses.* If the permittee operates a class 8 customs bonded warehouse, the permittee may acquire or receive in bulk, and warehouse and bottle, imported distilled spirits, so far as permitted by the customs laws.

(26 U.S.C. 7805 (68A Stat. 917, as amended); 27 U.S.C. 205 (49 Stat. 981, as amended))

§ 1.83 Acquiring or receiving distilled spirits in bulk for addition to wine.

Persons holding permits as producers and blenders of wine, may, pursuant to such permit, acquire or receive in bulk alcohol or brandy for addition to wines.

§ 1.84 Acquisition of distilled spirits in bulk by Government agencies.

Any agency of the United States, or of any State or political subdivision thereof, may acquire or receive in bulk, and warehouse and bottle, imported and domestic distilled spirits in conformity with the internal revenue laws.

Warehouse Receipts

§ 1.90 Distilled spirits in bulk.

By the terms of the Act (27 U.S.C. 206), all warehouse receipts for distilled spirits in bulk must require that the warehouseman shall package such distilled spirits, before delivery, in bottles labeled and marked in accordance with law, or deliver such distilled spirits in bulk only to persons to whom it is lawful to sell or otherwise dispose of distilled spirits in bulk.

§ 1.91 Bottled distilled spirits.

The provisions of the Act, which forbid any person to sell, offer to sell, contract to sell, or otherwise dispose of warehouse receipts for distilled spirits in bulk, do not apply to warehouse receipts for bottled distilled spirits.

Cross Reference: For labeling of distilled spirits, see part 5 of this chapter.

Sales of Distilled Spirits for Industrial Use

§ 1.95 General.

Distillers, rectifiers, and other permittees engaged in the sale or other disposition of distilled spirits for nonindustrial use shall not sell or otherwise dispose of distilled spirits in bulk (other than alcohol) for industrial use, unless such distilled spirits are

shipped or delivered directly to the industrial user thereof.

Bradley A. Buckles,

Acting Director.

Approved: April 29, 1996.

John P. Simpson,

Deputy Assistant Secretary (Regulatory, Tariff and Trade Enforcement).

[FR Doc. 96–12965 Filed 5–23–96; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 95

[DoD Directive 1005.13]

Gifts From Foreign Governments; Removal of Part

AGENCY: Department of Defense.

ACTION: Final rule.

SUMMARY: This document removes the Department of Defense's rule concerning gifts from foreign governments. The part has served the purpose for which it was intended for the Code of Federal Regulations, and is no longer necessary.

EFFECTIVE DATE: May 24, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. R. Kennedy, 703–697–1142.

SUPPLEMENTARY INFORMATION: Paper copies of DoD Directive 1005.13 are available, at cost, from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161. The Directive is also available on the World-Wide Web at URL address: http:\\www.dtic.mil/adm.

List of Subjects in 32 CFR Part 95

Foreign relations; Government employees; Government property.

PART 95—[REMOVED]

Accordingly, by the authority of 10 U.S.C. 301, 32 CFR Part 95 is removed.

Dated: May 21, 1996.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 96–13148 Filed 5–23–96; 8:45 am]

BILLING CODE 5000–04–M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 100

[CGD01–96–017]

RIN 2115–AE46

Special Local Regulation; Quonset Open House, North Kingstown, RI

AGENCY: Coast Guard, DOT.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary special local regulation for an airshow known as the Quonset Open House. The Quonset Open House will be held on June 1 and 2, 1996, off Quonset Point, North Kingstown, RI. This regulation is needed to protect the boating public from the hazards associated with low flying aircraft in the vicinity of the airstrip.

EFFECTIVE DATE: This rule is effective on June 1 and 2, 1996, from 9 a.m. to 4:30 p.m.

FOR FURTHER INFORMATION CONTACT: Lieutenant (Junior Grade) Benjamin M. Algeo, Chief, Boating Affairs Branch, First Coast Guard District, (617) 223–8311.

SUPPLEMENTARY INFORMATION:

Regulatory History

As authorized by 5 U.S.C. 553, a notice of proposed rulemaking (NPRM) was not published for this regulation. Good cause exists for not publishing an NPRM and for making this section effective less than 30 days after Federal Register publication. The application for the event was received less than 30 days prior to the event date. Publishing a NPRM and delaying the event would be contrary to the public interest because the airshow is intended for viewing by the public. The sponsor was unable to provide more leadtime due to the difficulties in scheduling the participating aircraft.

Background and Purpose

The Quonset Open House is a local, traditional airshow sponsored by the Rhode Island National Guard. Participating aircraft take off and land from an airstrip located on Quonset Point, North Kingstown, RI. Due to the aircrafts' low flight paths, close proximity to spectator vessels, and other water related events, a regulated area is needed to protect life and property during the event.

This section establishes a regulated area in the West Passage of Rhode Island Sound, off Quonset Point. It prohibits vessels from entering the regulated area during the event. In emergency situations, provisions may be made to establish safe escort by a Coast Guard or designated Coast Guard vessel for vessels requiring transit through the regulated area.

Regulatory Evaluation

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that order. It has been exempted from review of the Office of Management and Budget under that order. It is not significant under the regulatory policies and procedures of the Department of Transportation (DOT) (44 FR 11040; February 26, 1979). The Coast Guard expects the economic impact of this rule to be so minimal that a full Regulatory Evaluation, under paragraph 10e of the regulatory policies and procedures of DOT, is unnecessary. The effect of this section will not be significant for several reasons: the regulated area includes less than half of one square nautical mile of Narragansett Bay; entry into the regulated area is restricted for a short duration; vessels may transit around the regulated area; and the extensive advance advisories which will be made.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Coast Guard must consider the economic impact on small entities of a rule for which a general notice of proposed rulemaking is required. ''Small entities'' may include (1) small businesses and not-for-profit organizations that are independently owned and operated and are not dominant in their fields and (2) governmental jurisdictions with populations of less than 50,000.

For the reasons discussed in the Regulatory Evaluation, 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. If, however, you think that your business or organization qualifies as a small entity and that this rule will have a significant economic impact on your business or organization, please submit a comment explaining why you think it qualifies and in what way and to what degree this rule will economically affect it.

Collection of Information

This rule contains no collection of information requirements under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*)