holding a symposium to discuss and obtain comments and information on the comparison between two different structures for an inflation-protection security—a Canadian-style and a current pay structure.

The Treasury has invited certain commenters to take part in the symposium. These participants will comment on certain questions posed by the Treasury and take part in a discussion. Members of the public are invited to observe. Written comments from the public are also welcome (see below). The Treasury intends to seek further comment on the structure for Treasury inflation-protection securities and other issues prior to issuing final rules.

Possible Structures

The Canadian-style structure was described in the ANPR. Briefly, the principal of a Canadian-style inflation-protection security is adjusted for inflation (with a lag) such that its real value remains constant. The semiannual coupon payments are a fixed percentage of the current, inflation-adjusted value of the principal on the interest payment date. At maturity, the inflation-adjusted principal is paid, along with the last interest payment. (Please refer to the ANPR for the formulas for the Canadian-style structure.)

Some commenters have suggested that the Treasury consider an alternative structure that was not described in the ANPR. Under this current pay structure, all the inflation compensation and real interest is paid out semiannually. The formula for the semiannual coupon on the current pay security is the sum of the semiannual coupon and the principal appreciation (depreciation) of the Canadian-style security. Looking at this another way, the current pay semiannual coupon rate is the sum of the real semiannual rate, the six-month percentage change in the price or wage index, and the product of these two rates. The principal of the current pay security would not be indexed. In order to simplify the security, it is assumed here that the rate will not be less than zero. Possible formulas for the current pay structure are provided in the Appendix at the end of this notice.

Questions

The Treasury Department is interested in response to the following questions:

(1) Which structure, Canadian or current pay, is likely to have the largest potential market?

(2) Which investor groups would find investments in the different structures appealing?

(3) How would the yield on the current pay structure compare with the yields on other Treasury securities (bills, notes, or bonds)?

(4) If the current pay structure were strippable, would there be substantial market interest in the stripped components?

(5) Would the preferred maturity sectors for the current pay structure be different from those for the Canadian-style structure?

(6) What would be the best way to auction current pay securities? For example, should the Treasury use a single-price auction and set the coupon rate at the highest accepted yield? Should reopening auctions be based on price rather than yield?

(7) Which structure would provide the Treasury with the largest savings in financing costs?

Written Comments

The Treasury also welcomes written comments on these questions. Written comments should be sent to: The Government Securities Regulations Staff, Bureau of the Public Debt, 999 E Street N.W., Room 515, Washington, D.C. 20239. Comments received, together with any written materials presented at the symposium, will be available for public inspection and copying at the Internal Revenue Service, FOIA Reading Room, located at the Internal Revenue Service building at Pennsylvania Avenue and 11th Streets, N.W., Room 1621, until the Treasury Department Library reopens.

Dated: July 18, 1996.

Darcy Bradbury,

Assistant Secretary, Financial Markets.

Appendix—Formulas for Current Pay Structure

I. Reference INUM:

$$\text{Ref INUM}_{\text{Date}} = \text{Ref INUM}_{\text{M}} + \frac{t-1}{D}\left[\text{Ref INUM}_{\text{M}+1} - \text{Ref INUM}_{\text{M}}\right]$$

II. Index Ratio:

$$\text{Index Ratio}_{\text{Date}} = \frac{\text{Ref INUM}_{\text{Date}}}{\text{Ref INUM}_{\text{LastSA}}}$$

III. Semiannual Interest:

A. Coupon = $(I/2) \times \text{Index Ratio}_{\text{Date}} \times P + (\text{Index Ratio}_{\text{Date}} - 1) \text{ X } P$

though not less than zero.

B. Coupon Rate = (I/2) + Infl. Rate + ((I/2) × Infl. Rate)

though not less than zero.

Definitions:

Date=valuation date

D=the number of days in the month in which Date falls

t=the calendar day corresponding to Date

INUM=index number

$\text{Ref INUM}_{\text{LastSA}}$=reference INUM for the original issue date or last semiannual interest payment date

$\text{Ref INUM}_{\text{M}}$=reference INUM for the first day of the calendar month in which Date falls

$\text{Ref INUM}_{\text{M}+1}$=reference INUM for the first day of the calendar month immediately following Date

I=real interest rate (set at initial auction)

P=principal amount

Coupon=semiannual interest payment amount

Coupon Rate=semiannual coupon rate

Infl. Rate=$\text{Index Ratio}_{\text{Date}} - 1$

[FR Doc. 96–18802 Filed 7–19–96; 2:31 pm]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[WA43–7116b; FRL–5514–5]

Approval and Promulgation of Air Quality Implementation Plans; Washington; Revision to the State Implementation Plan Vehicle Inspection and Maintenance Programs

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA proposes to approve the State Implementation Plan (SIP) revision submitted by the State of Washington for the purpose of approving the Inspection and Maintenance (I/M) State Implementation Plan (SIP), for Washington State. On August 21, 1995, Washington submitted SIP revision requests to the EPA to satisfy the requirements of sections 182(b)(4) and 182(c)(3) of the Clean Air Act, as amended, and Federal I/M rule 40 CFR part 51, subpart S. These SIP revisions will require vehicle owners to comply with the Washington I/M program in the two Washington ozone nonattainment areas classified as ''marginal'' and in the three carbon monoxide nonattainment areas classified as ''moderate''. This revision applies to the Washington counties of Clark, King, Pierce, Snohomish, and Spokane. In the Final Rules Section of this Federal Register, the EPA is approving the State's SIP revision as a direct final rule without prior proposal because the Agency views this as a noncontroversial revision and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this proposed rule, no further activity is contemplated in relation to this rule. If the EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this action.

DATES: Comments on this proposed rule must be received in writing by August 22, 1996.

ADDRESSES: Written comments should be addressed to Montel Livingston, Environmental Protection Specialist (OAQ–107), Office of Air Quality, at the EPA Regional Office listed below. Copies of the documents relevant to this proposed rule are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day.

Environmental Protection Agency, Region 10, Office of Air Quality, 1200 6th Avenue, Seattle, WA 98101.

The Washington State Department of Ecology, P.O. Box 47600, Olympia, WA 98504–7600.

FOR FURTHER INFORMATION CONTACT: Stephanie Cooper, EPA, 1200 6th Avenue, Seattle, WA 98101, (206) 553–6917.

SUPPLEMENTARY INFORMATION: See the information provided in the Direct Final action which is located in the Rules Section of this Federal Register.

Dated: May 24, 1996.

Jane S. Moore,

Acting Regional Administrator.

[FR Doc. 96–18200 Filed 7–22–96; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 67

[Docket No. FEMA–7187]

Proposed Flood Elevation Determinations; Illinois et al.

AGENCY: Federal Emergency Management Agency, FEMA.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are requested on the proposed base (1% annual chance) flood elevations and proposed base flood elevation modifications for the communities listed below. The base flood elevations are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The comment period is ninety (90) days following the second publication of this proposed rule in a newspaper of local circulation in each community.

ADDRESSES: The proposed base flood elevations for each community are available for inspection at the office of the Chief Executive Officer of each community. The respective addresses are listed in the following table.

FOR FURTHER INFORMATION CONTACT: Michael K. Buckley, P.E., Chief, Hazard Identification Branch, Mitigation Directorate, 500 C Street SW., Washington, DC 20472, (202) 646–2756.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency (FEMA or Agency) proposes to make determinations of base flood elevations and modified base flood elevations for each community listed below, in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR 67.4(a).

These proposed base flood and modified base flood elevations, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own, or pursuant to policies established by other Federal, state or regional entities. These proposed elevations are used to meet the floodplain management requirements of the NFIP and are also used to calculate the appropriate flood insurance premium rates for new buildings built after these elevations are made final, and for the contents in these buildings.

National Environmental Policy Act. This proposed rule is categorically excluded from the requirements of 44 CFR Part 10, Environmental Consideration. No environmental impact assessment has been prepared.

Regulatory Flexibility Act. The Acting Associate Director, Mitigation Directorate, certifies that this proposed rule is exempt from the requirements of the Regulatory Flexibility Act because proposed or modified base flood elevations are required by the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and are required to establish and maintain community eligibility in the National Flood Insurance Program. As a result, a regulatory flexibility analysis has not been prepared.

Regulatory Classification. This proposed rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

Executive Order 12612, Federalism. This proposed rule involves no policies that have federalism implications under Executive Order 12612, Federalism, dated October 26, 1987.

Executive Order 12778, Civil Justice Reform. This proposed rule meets the applicable standards of section 2(b)(2) of Executive Order 12778.